

WINTER 1951

Public

Administration

Review

JOURNAL OF THE AMERICAN
ADMINISTRATIVE ASSOCIATION

The American Society for Public Administration

Science, Processes, and Art of Administration

HAROLD D. SMITH, *President*

LUTHER GULICK, *Vice-President*

ROBERT M. PAUL, *Secretary-Treasurer*

THE COUNCIL

WILLIAM ANDERSON

SAMUEL C. JOHNSON

DEED P. BARTLETT

WILLIAM D. JOHNSON

W. M. CARNOODY

ELMER J. SAMUELSON

WILLIAM A. FISH

H. H. BOON

PETER W. FISKE

WILLIAM A. JOHNSON

JOHN J. HENDERSON

THE PRESIDENT

WILLIAM A. JOHNSON

THE VICE-PRESIDENT

PUBLIC ADMINISTRATION

LEONARD D. WHITE, *Editor-in-Chief*

EDITORIAL BOARD

FRANK P. BLACKLEY

ROBERT M. PAUL

B. BLANCHARD, JR.

PETER W. FISKE

JOHN R. CLAY

WILLIAM A. JOHNSON

LITERARY ROOM

DON E. LUCE, *Managing Editor*

TH

IT
Pres
On
ton
Com
Uni
and
Pres
prov
gove
mon
exec
esta
Exe
T
orde
By
Cons
the
Publ

The Executive Office of the President

A symposium

*by Louis Brownlow, Harold D. Smith, Charles E. Merriam,
William H. McReynolds, Lowell Mellett, and Luther Gulick*

EDITOR'S note: This symposium includes a paper on each of the divisions of the Executive Office of the President (except The White House Office) by its director or by a member of its directing board, and a paper by each member of the President's Committee on Administrative Management, which proposed the establishment of the Executive Office.

The papers are based on addresses delivered at the second annual meeting of the American Society for Public Administration, held in Chicago December 28-30, 1940. They include, however, additional material and references to developments subsequent to that meeting.

Mr. McReynolds and Mr. Mellett were unable to attend the meeting of the Society, and their papers were read for them by G. Lyle Belsley and Miss Katherine C. Blackburn, respectively.

A General View

By LOUIS BROWNLOW, *Director of Public Administration Clearing House*

IT is written in the Constitution: "The executive power shall be vested in a President of the United States of America." On April 30, 1789, when George Washington took the oath prescribed in that same Constitution, the office of President of the United States came into being. One hundred and fifty years later, on April 3, 1939, the President approved an act of Congress to provide for reorganizing agencies of the government and for other purposes. A few months later, on September 8, 1939, by executive order of the President, there were established the various divisions of the Executive Office of the President.

The effective clause of that executive order reads as follows:

By virtue of the authority vested in me by the Constitution and Statutes, and in order to effectuate the purposes of the Reorganization Act of 1939, Public No. 19, Seventy-sixth Congress, approved

April 3, 1939, and of Reorganization Plans Nos. I and II submitted to the Congress by the President and made effective as of July 1, 1939 by Public Resolution No. 2, Seventy-sixth Congress, approved June 7, 1939, by organizing the Executive Office of the President with functions and duties so prescribed and responsibilities so fixed that the President will have adequate machinery for the administrative management of the Executive branch of the Government, it is hereby ordered as follows:

Here is recorded for the archivist, the historian, and the student of political science the fact that this new institution was created, not by the President alone, but with the concurrence, and presumably the blessing, of the Congress. It was the recognition, after a century and a half, that the President needed more administrative machinery for the management of the executive and administrative work of the government.

The Reorganization Act of 1939, which was approved on April 3 of that year, en-

trusted to the President the duty of preparing reorganization plans which were to be sent to the Congress and, unless disapproved by that body, were to have the effect of law.

Plan No. I was sent up on April 25, 1939, and Plan No. II on May 9. A resolution declaring "that the Congress does not favor the Reorganization Plan No. I transmitted to Congress by the President on April 25, 1939" was defeated in the House. A similar resolution with respect to Reorganization Plan No. II was defeated in the Senate. In the ordinary course of events, therefore, Plan I would have become effective on June 25, and Plan II on July 9, with the full force and effect of law, as the result of a delegation to the President of a legislative function—preparing a draft of a law which was to become effective unless vetoed by the legislature.

Now it so happens that the fiscal year of the United States government ends on June 30, and it would have been inconvenient to have had one reorganization begin a few days before the end of the fiscal year and the second a few days after the beginning of another, so that the Congress, by a joint resolution approved by the President on June 7, made both plans effective as of July 1, 1939. This is perhaps one of the few cases in which the same legislative enactment has been twice passed by Congress, once negatively and once affirmatively, and it is perhaps worthy of note that the affirmative action was taken by the unanimous vote of both houses.

The matter was discussed at full length by the President in his message of January 12, 1937, submitting the report of the President's Committee on Administrative Management, in his messages submitting the first and second reorganization plans, and in the preamble of the executive order itself.

Whatever may be the final resolution of the problems raised by those who contend that administration in the government of the United States is a duty imposed upon the legislative branch and not upon the executive branch, it is abundantly clear that

the Seventy-sixth Congress decided that the task of administrative management is imposed upon the President and that the President required additional machinery for the performance of that task. In introducing this symposium in which is to be described the several divisions of the Executive Office of the President, it is not my purpose to debate this question. Perhaps I may leave it by quoting this sentence written by Alexander Hamilton in *The Federalist*, No. 72:

The administration of government, in its largest sense, comprehends all the operations of the body politic, whether legislative, executive, or judiciary, but in its most usual, and perhaps in its most precise, signification, it is limited to executive details, and falls peculiarly within the province of the executive department.

IN THE century and a half intervening between the establishment of the presidency with its relatively simple tale of duties, and the establishment of this first formal piece of machinery to meet its managerial needs, the world has been shaken and changed by revolutions and wars time and again; the world has been shrunk by inventions of communication and transport; and now the world of men is reeling under the impact of the first revolution that has presently affected the lives of every human being on the globe.

In 1789, for the first time, at least in modern history and in the western world, there was set up an executive who was at one and the same time the chief of state, the leader of the legislature, the leader of a political party, the commander in chief of the military forces of the nation, and the executive manager of the government.

During that same century and a half, a few minor changes have been made in his constitutional duties and powers, his action has been influenced by statute and conditioned by judicial decision, but in all major aspects the executive of the United States of America is what it was in 1789.

No executive agency of any other nation or government in the entire world which existed in 1789 now exists. There are, of

course, titular heads of states which have continued from times long before 1789, as the Emperor of Japan, the King of England, and the Nizam of Hyderabad, but none of these has combined the several elements which inhere in the presidency, and none of these is the actual executive agency of the nation.

At this time, it is not the intention to discuss the office of the President with respect to his quality as a chief of state, the leader of the legislature, the leader of a party, or as commander in chief of the Army and Navy. The purpose is solely to consider the President as the executive, administrative head of the government.

In those stirring days of the end of the eighteenth century, leaders of the American and French revolutions, after disposing of hereditary government and class privilege, disagreed over the type of executive that would best serve free representative institutions. America, after experimenting with the unsatisfactory Articles of Confederation and in at least one state with a collegiate or multiple executive, decided in 1789 to vest executive powers in a president. A few years later, France, still fearing a single executive, set up the Directory of five members to administer the affairs of the Republic.

"We watched the motions and effects of these two rival plans," wrote Thomas Jefferson, "with an interest and anxiety proportioned to the importance of a choice between them." "The experiment in France failed after a short course," Jefferson declared, "not from any circumstances peculiar to the times or nation, but from those internal jealousies and dissensions in the Directory, which will ever arise among men equal in power, without a principal to decide and control their differences." On the other hand, he said, "the tranquil and steady tenor of our single Executive during a course of twenty-two years of the most tempestuous times the history of the world has ever presented," proved the excellence of a system under which the President, "aided by the counsels of a cabinet of heads of depart-

ments, . . . has the benefit of their wisdom and information, brings their views to one centre, and produces an unity of action and direction in all the branches of the government."

Our times are even more tempestuous than those to which Jefferson referred, and the increase in our national strength is partly offset by the shrinkage in the effective distance that separates us from Europe. In spite of Jefferson's "rational hope" that America had solved the problem permanently, we find it necessary to reaffirm our confidence in the stability of democratic institutions, and to find means by which to give to the administration of our federal government the "unity of action and direction" which our early presidents, in conference with their four or five cabinet members, were able to achieve.

Two fallacies have often confused our thinking on this subject of the President's office and its relation to Congress. One is the idea that control by a member or a committee of a legislature is control by the legislature itself. The other is the idea that an executive official usurps the legislative function if he gives advice to the legislature.

Woodrow Wilson described the situation in 1885 by saying that the federal government was "a government by the standing committees of Congress," in which the President lived "by proxy," with the various secretaries administering their departments under narrow regulation by committees, with little regard for the Chief Executive.

The chief disadvantage of this situation was not poor administration, but poor popular control of the government. As Wilson pointed out, Congress was ineffective as a deliberative body because "There is [was] no one policy to be attacked or defended, but only a score or two of separate bills." By encroaching on the executive function, the legislature did not strengthen government by the people, but weakened it.

In short, as the responsibilities of government increased, the legislature lost its ability to take a coherent view of the state of

the nation, because it had not permitted the executive to develop its management controls over the departments of government. The President was overburdened on the one hand with a mass of petty detail, and on the other hand he was denied the assistance that he needed if he was to control the actions of his subordinates; thus he could not delegate the work that he should have delegated, and he let slip from his hands the essential controls of administrative management.

To remedy this situation, it was not necessary to give the President any powers that the Constitution did not originally give him. It was necessary only to create in the Executive Office the physical and organizational facilities that any chief executive must have under modern conditions if he is to discharge his responsibilities.

At the same time, of course, the Congress is the source of legal authority for administrative acts. It appropriates funds for governmental services, authorizes the employment of public officials, and authorizes the creation of departmental organization. Congress is the source of administrative power. Under its constitutional powers it could effectively abolish administration and the government altogether by merely refusing to appropriate funds, but it cannot constitutionally deprive the President of his position as the executive and administrative head of the government. Our government works, as any effective government works, because none of its component parts ever carry to a conclusion—or rather, reduce to an absurdity—their constitutional powers in any of the ways that constitutional lawyers so often discuss hypothetically.

Even when presidential prestige was at its lowest point, the constitutional position of the President remained clear so that whenever Congress was prepared to authorize more effective administration it turned to the Chief Executive. In the meantime, the theory of organized management tools—budget, planning, and personnel agencies—was being developed by municipal government, by private business, and by privately

supported research foundations, so that such tools were virtually at hand for the President to command as soon as Congress would authorize him to do so. The report of the President's Committee on Administrative Management, which recommended the establishment in the Executive Office of agencies of management control, developed this recommendation from the tested experience of the most successful public and private organizations in the United States.

The idea was nothing new to the President for whom it was drafted. When Franklin D. Roosevelt was Assistant Secretary of the Navy in 1919, he appeared before a House committee to testify that the President, like the Secretary of the Navy, was sadly in need of machinery to help him coordinate the work of the departments that were under his charge. He proposed that the President have a special agency to inspect the activities of every department, to help him coordinate their estimates and control their expenditures, and to help him direct the personnel policies of the federal government.

LONG before the creation of the President's Committee on Administrative Management, students of government had proposed that the so-called "staff," or "housekeeping," or "administrative" functions of the federal government be brought together in a single department. The difficulty was to select the functions which should be thus segregated.

The President's Committee decided to propose that the Executive Office of the President should perform only those functions the responsibility for which could not be delegated by the President. The "non-delegable" functions are those by which an executive may control the policies of his departments, while leaving to the head of each department the decisions which are peculiar to its activity and the work incidental thereto. The old concept of differentiating "line" and "staff" agencies did not precisely meet the need because, according to our dis-

inction between "delegable" and "non-delegable" functions, a staff function such as purchasing may be centralized or decentralized as expediency may require, but in either case can well be delegated; whereas the managerial functions by which an executive can control his organization—especially budgeting, planning, and personnel—must be performed in the Executive Office.

When the President submitted Reorganization Plan No. I, he informed Congress of his purpose to bring the managerial agencies together in the Executive Office, in these words:

In my message to the Congress of January 12, 1937, in discussing the problem of how to improve the administrative management of the executive branch, I transmitted with my approval certain recommendations for strengthening and developing the management arms of the President. Those three management arms deal with (1) budget, and efficiency research, (2) planning, and (3) personnel. My accumulated experience during the two years since that time has deepened my conviction that it is necessary for the President to have direct access to these managerial agencies in order that he may have the machinery to enable him to carry out his constitutional responsibility, and in order that he may be able to control expenditures, to increase efficiency, to eliminate overlapping and duplication of effort, and to be able to get the information which will permit him the better to advise the Congress concerning the state of the Union and the program of the Government. . . .

In this manner, the President will be given for the first time direct access to the three principal necessary management agencies of the Government. None of the three belongs in any existing department. With their assistance, and with this reorganization, it will be possible for the President to continue the task of making investigations of the organization of the Government in order to control expenditures, increase efficiency, and eliminate overlapping.

Thus, the Executive Office is made up of the agencies exercising, in the President's

name and by his own authority, the managerial functions, and in addition to these, a division into which may be brought, in times of emergency, functions which ordinarily may be delegated but which become a direct responsibility of the President in a crisis.

The following papers describe the work of five of the six divisions of the Executive Office—the Bureau of the Budget, the National Resources Planning Board, the Liaison Office for Personnel Management, the Office of Government Reports, and the Office for Emergency Management.

Only the President could adequately describe Division I, which is The White House Office. It serves him, of course, in all of his capacities—as chief of state, as leader of the legislature, as leader of a party, and as commander in chief of the armed forces, as well as in his administrative capacity. However, since this is a journal of the American Society for Public Administration, this symposium is confined to the administrative aspects of the presidency and to the other divisions of the Executive Office.

As in our early days, so in our present crisis, the world watches with anxiety the fate of free institutions. We have already seen the French democracy fail, as Jefferson saw it fail, "not from any circumstances peculiar to the times or nation, but from those internal jealousies and dissensions . . . which will ever arise among men equal in power, without a principal to decide and control their differences." And now, as democracy meets its severest test, the American presidency for the first time has been given an Executive Office suitable to its needs.

The Bureau of the Budget

By HAROLD D. SMITH, *Director of the Budget*

I

IN CONSIDERING the present-day functions of the Bureau of the Budget as a management arm of the President, I find it informative, for purposes of contrast, to describe an incident which occurred more than one hundred years ago. James Monroe was President of the United States. William Wirt was his Attorney General. On the occasion of this incident, the President was meeting with the members of his Cabinet. Up to this time Mr. Wirt and his predecessors in office had not presented much of an administrative problem for the Chief Executive. The Attorney General had no office except his private law office, and no clerks or secretaries. He received only the modest remuneration of \$3,000 a year. But when the Cabinet met on this particular day, Mr. Wirt presented the President with a number of requests. He wanted a raise in salary, an office, and a clerk, and he proposed that the President so recommend to Congress. After some consideration, the President decided that he should first assess the situation in the other departments of the government and then make a recommendation which would cover them all in an equitable manner.

This incident shows how relatively simple were the management problems of the federal government in the days of the Founding Fathers. President Monroe, in the process of weighing the obvious facts in the Attorney General's request, went through the whole range of activities now embodied in the Bureau of the Budget. In analyzing the department's proposal to revamp its organization and activities, he studied the recommended increase in expenditure, considered the way in which the department was managing its business, and compared the department in question with other departments and their needs. Then he drafted an

executive proposal setting forth a uniform policy. Finally, he sent his recommendation to Congress.

The essentials of the budgetary problem are identical today, but the conditions and the situation which surround them have grown exceedingly complex. Let us translate into modern terms Mr. Wirt's request for a clerk, an office, and a raise in pay. We may imagine him coming into the Cabinet meeting with a troupe of messengers carrying bulky volumes, and saying:

"Mr. President, I want to streamline the administration of my department. Its organization needs overhauling. Too many division and bureau heads report directly to me; I am required to spend two hours a day signing routine documents; the work of the antitrust division should be expanded; we need two new prisons; immigration laws require revision; our personnel office is so overloaded we have been unable to recruit those new employees for the F.B.I.; many other changes are needed affecting parole, tax prosecutions, claims, land title examination, and the work of the United States marshals and district attorneys. I have reports here showing the changes in detail. They outline the proposed policies and practices. Here are charts which show the present and proposed plans of organization. Drafts have been made of bills and executive orders required to put the plans into effect. You will also find detailed appropriation estimates of the necessary personnel, equipment, and supplies, with comparative figures for the past three years, all supported by schedules of the services that will be performed and of anticipated accomplishments. We need a \$1,520,000 supplemental appropriation now and a total of \$40,260,620 next year. We have already pruned every cent possible. The need is urgent, Mr. President. Could you give me your decision tomorrow?"

There is overstatement in this comparison, but the President over a period of time is called upon to decide similar matters not for this one department alone, but for ten departments and a score of other large executive agencies. Just as President Monroe had to hear Mr. Wirt's request, had to study it, and had to decide on it in the light of a knowledge of the affairs of other Cabinet members, so the President today must have some means for planning, directing, coordinating, and checking on the operations of all the agencies that constitute the executive branch of the government. We must remember that such duties comprise but one segment of the responsibilities of the President. It is no wonder then that, through the years, Presidents have repeatedly sent out an SOS for help.

If the President does not have the means to carry out his executive functions, he becomes a chief of state something like the Dalai Lama, a venerated ruler in whose name all ministerial actions are taken but who is carefully shielded from reality.

It is difficult to visualize how close the President came to occupying such a position in the late nineteenth century and early in the twentieth. Through the years departments tended to function as separate principalities, each oblivious to other services and needs of the government, each pressing its special interests upon Congress. The President was often ignored; he was chief executive in name only. Without staff aides to investigate, collect information, and assist him in the performance of executive functions, the President was greatly handicapped. Except in times of national crisis, the trend has been always in the direction of weakening the position of the President.

In the early days of the Constitution, when the intentions of its framers were more clearly remembered, and when the executive establishment was sufficiently small to be comprehended readily, a unified program was possible. However, the record of these days reveals that Congress was inclined to inject itself into details of financial trans-

actions and other administrative actions. Realizing that strong executive management was essential to a strong government, Alexander Hamilton, as Secretary of the Treasury, attempted to give that office the functions and responsibility of the British Chancellor of the Exchequer. He failed, however, because of congressional jealousy of the executive and because the structure of the new government did not lend itself to such a development. As the years rolled on, the activities of the government were greatly extended, thus further increasing the need for special agencies of over-all management to aid the President. Failure to develop over-all controls, particularly in the field of finance, resulted in the flow of control going from the departments directly to Congress and then back to the departments. The President was outside this stream of administration, exerting his influence mainly through his political power rather than through actual direction of departmental activities by virtue of his position as general manager.

More specifically, estimates of expenditures were submitted directly to Congress without clearance with the President, and without review or coordination into a unified program. There was no way of following through to see that the programs were properly executed. It was impossible to set up standard work policies and practices. Inefficient organization and methods could not be detected and remedied. Except in the case of crisis problems, the President had neither the time nor the means for making many decisions, or for resolving the numerous conflicts which arise in such a large organization. Systematic planning of the work of the government was impossible. Neither could the President keep informed of what was happening. The result, obviously, was conflict, duplication, inefficiency, and irresponsibility.

It is important to remember that while the President did not control executive operations and expenditures, the control exercised by Congress was not complete in the

sense of being based upon an over-all view of the programs and finances of the government. In an article entitled "National Appropriations and Misappropriations," James A. Garfield, when a member of the House of Representatives, pointed out the need for a single financial program for the federal government to replace the disconnected departmental programs supervised by various congressional committees, resulting in a dozen budgets, and drafted by a process of haggling between the various departments and congressional committees.

II

THE trend toward administrative disintegration of the federal government was reversed by Congress and the President when our national unity began to be more firmly re-established, and after the essentials of effective budgeting and administrative control had been explored by students of government and of private management. In 1909, Congress enacted a statute calling on the President to submit recommendations for a program to meet anticipated deficiencies. About the same time the President began to instruct department heads as to the general policy they should follow with respect to the estimates of expenditures to be submitted to Congress.

In the same year, Franklin MacVeagh, Secretary of the Treasury, proposed in a report to Congress the establishment of an executive budget, tracing the historical developments which had brought the federal government to the point where "the executive had little or nothing to say about the revenues, and where the executive estimates of expenditures were constructed more or less for trading purposes with the appropriation committees."

The next step was the appointment in 1911 by President Taft of the Commission on Economy and Efficiency to study the administrative branch of the federal government in order to ascertain what improvements could be made in its organization and procedures. It was the viewpoint of this dis-

tinguished commission that the most important step which could be taken to better the organization and procedures of the government was a revamping of the method for determining and providing for the government's financial needs. In other words, the commission believed no worth-while and substantial improvement in the conduct of the government could be effected without the adoption of a budget system.

President Taft followed the recommendations of his commission, and when the departments sent their estimates of expenditures to Congress, he had them prepare another set following the forms suggested by the commission. His efforts to revise and coordinate the estimates into a real budget were resented by the Congress as an infringement upon the prerogatives of that body.

Later, Dr. W. F. Willoughby, of the Brookings Institution, who had served as a member of the Taft Commission, pointed out in his work on *The Problem of a National Budget* that the President had come to be accepted as administrator-in-chief and urged that he be granted the necessary staff assistance.

The Budget and Accounting Act of 1921 finally established the Bureau of the Budget in the Treasury Department but directly responsible to the President. The act charged the President with the preparation of a complete budget of estimated revenues and expenditures covering all agencies and activities of the government, and directed him to submit this budget to Congress as his recommended program. Shortly thereafter, the Congress fundamentally revised its own appropriating procedure and set up a single appropriation committee in each house, in lieu of the eight committees hitherto working independently of each other. Thus the Congress affirmed by legislation the principle that the President and Congress were to develop a single coordinated financial plan, instead of permitting department heads and congressional committees to pursue their separate courses. In requiring the department heads to submit

their programs for revision by an arm of the President, the Budget and Accounting Act merely reaffirmed the original practice under our Constitution.

The early years of the Bureau of the Budget were spent in overcoming the customs and concepts developed in the previous century. General Dawes, the first Director of the Budget, had to resort to threatening recalcitrant bureau chiefs with a letter from President Harding promising prompt dismissal from the government service of all persons refusing to comply with the requests of the Budget Bureau. The reputation of the Bureau as an economy-minded, restrictive agency, skilled only in saying "No," was necessarily earned because of ingrained departmental opposition to executive leadership.

During the last few years, the Bureau of the Budget has been looked upon more as an agency to assist the departments to carry out effectively the responsibilities placed upon them by the President and the Congress. Although it tried to set an example of economy to the point of making itself virtually impotent, at least in the light of its potentialities, the budget system and the facilities of the Bureau enabled the President once again to assume leadership of the executive branch and to find out what was being done by the many administrative agencies. In doing this the Bureau produced distinct savings in the cost of government, and, even more important, enabled Congress to get an over-all view of federal programs and finances, instead of becoming lost in the myriad appropriation details.

III

THE Bureau of the Budget as a management arm of the Chief Executive was greatly strengthened when it was transferred to the Executive Office of the President. In its new location, the Bureau was made more accessible to the President. Furthermore, the grouping of the several managerial agencies within the Executive Office has resulted in a close working relationship among the im-

mediate staff aides of the Chief Executive.

What does the Bureau do and how does it actually work as a management arm of the President? An enormous number and variety of matters reach the Bureau of the Budget for attention. It has been apparent that neither the scope nor the complexity of the problems involved are fully realized by the public, by government officials in general, or even by the Bureau staff members, who plug along steadily at their own particular segments of the work. The Bureau decided, therefore, to make an inventory of all the matters dealt with on a particular day, in order to obtain a cross section of its operations. This inventory of the Bureau's work is contained in a hundred-odd blue office memoranda prepared September 19, 1940.

A summary of the results of this inventory gives a concrete picture of the activities of the federal Bureau of the Budget. No doubt this picture is duplicated in some degree throughout the country wherever there are budget offices. Altogether, some 870 different matters, exclusive of all transactions concerning only the internal functioning of the Bureau, received attention on this particular day. The matters ranged from a minor job of answering a "crank" letter on how to solve the economic problems of the nation to a long-term project for establishing a comprehensive system of financial reporting covering the operations of the entire federal government. Among the myriad items, analysis showed that there was some rational pattern of duties into which the activities fell—seven general categories, which I shall describe in turn. It was apparent that although each of these areas of activity is primarily the responsibility of a particular division in the Bureau, often all divisions were working on a single item, each from its own point of view.

THE FIRST category of work on September 19, 1940, and a considerable one, was budget preparation, which is the primary responsibility of the Estimates Division. On

July 1, as is customary each year, a circular was sent to all departments and agencies outlining the manner in which the estimates of appropriations were to be submitted to the Bureau for the fiscal year beginning July 1, 1941. In order to give an intelligent review of the departmental estimates, it is important that the Bureau of the Budget know a great deal about the statutory authority, organization, program, and problems of each department. Accordingly, on September 19, we found that many employees of the Estimates Division were engaged in investigating departmental agencies and programs, in analyzing various appropriations, and in studying estimates of proposed expenditures just submitted. Several budget hearings were under way at which departmental officials met with Budget Bureau staff members to explain and justify their proposed programs. The Federal Power Commission hearing, for instance, lasted the entire day, and in attendance with the budget examiners were staff representatives from the Division of Administrative Management who had recently completed a year-long organizational survey for the commission.

Other members of the Estimates Division were reviewing supplemental budget estimates for defense purposes. One interesting problem "on the mat" that day was the need and manner of reconciling and coordinating the several overlapping defense training programs proposed by the Office of Education, the National Youth Administration, the Civilian Conservation Corps, and the Defense Commission. A discussion was in progress with the budget officer of the State Department on the question of submitting an estimate for a survey of alleged illegal water diversions from the Rio Grande River. Officials of the Federal Loan Agency, the Federal Home Loan Bank Board, and the Home Owners' Loan Corporation were conferring on whether the H.O.L.C. program would be altered in any manner by the effect of a rise in prices on its sales and rentals of property.

In another office a discussion was under

way with a representative of the Forest Service on the appraisal method used in determining the contract base price for lumber being sold by the New England Timber Salvage Administration. One staff official was conferring with the ambassador to Cuba regarding the scope and nature of commercial and cultural relations with the American Republics, and the general value of increasing the force of commercial attachés at South American posts.

While this intensive review of budget programs was taking place on September 19, the Fiscal Division was compiling overall financial and budgetary information and studying the consequences of various aspects of the budgetary program upon the country's economic structure. A preliminary analysis was under way of the total effect of the budget estimates and the estimated revenues under the present tax measures. A member of the Division of Research and Statistics of the Treasury Department was discussing with members of our staff the method of treatment in the forthcoming revenue estimates of taxes levied under the Bituminous Coal and Sugar Acts, both of which expire during the present fiscal year and under which no taxes will be collected in 1942 unless legislation is re-enacted. A draft of a proposed budget circular containing regulations affecting the six-year program for federal public works projects was under consideration with the National Resources Planning Board. The director of research for the National Industrial Conference Board was discussing with staff members of the Fiscal Division the work being done by the board as it relates to financing defense and the probable economic effects of the defense program. Several staff members were engaged in revising and editing a study on government purchasing for the Temporary National Economic Committee.

AFTER Congress appropriates funds to the various departments, it is then the President's job to see that they are spent wisely,

and that the work contemplated at the time the estimates are submitted is actually carried out. It is for this reason that the President, in the Executive Order of September 8, 1939, which defined the functions of the Executive Office of the President, required the Bureau to "supervise and control the administration of the budget." Accordingly, it is not surprising to find that another series of activities transpiring on September 19 bore directly on the execution of the current budget.

The quarterly apportionment of appropriations was being determined for one agency to assure that its funds would not be spent before the end of the year and to set up reserves of funds which it was believed the agency could save. Proposed allocations and allotments of defense funds were being reviewed to determine the amounts to be recommended to the President for expenditure out of his discretionary funds. The Estimates Division was reviewing the work of the Labor Department to see how it was carrying out certain plans which it had submitted in the current year's budget. A memorandum to the President and a letter "for his signature" addressed to the Secretary of Commerce were being prepared regarding the allocation of emergency funds for purchase of heavy equipment required by the Civil Aeronautics Authority for airport construction in Alaska. Likewise, a similar memorandum and letter were being prepared allotting funds for construction by the United States of a section of the trans-isthmian highway in Panama. A report was being drafted on an investigation of a request for emergency funds for the Office of the Solicitor, Department of Labor, to make wage determinations in connection with defense construction. At the same time, the Fiscal Division was studying the economic effects of national defense construction and its relation to other construction programs of the government.

One of the first difficulties I encountered in taking office as Director of the Budget nearly two years ago was an absence of re-

liable, complete, and current information concerning the financial condition of the government as a whole and the status of expenditures by the departments. I found that the government has several accounting systems but no over-all, complete system. Obviously, budget planning and control are sorely hindered and effective budget execution is impossible without adequate accounting and reporting aids. Accordingly, the inventory of activities on September 19 revealed that the staffs of the Administrative Management, Estimates, and Fiscal Divisions of the Bureau were working jointly on the kinds of financial information and budgetary control needed by the government.

Budgetary control requires more than a periodical examination of expenditures of departments. The services carried on, the units of work performed, and the accomplishments under the various programs of the departments must be related to expenditures. Very little of such information has flowed through the Bureau in the past. During previous years, the President has not received from any central source material pulled together to make an informative picture of the operations and achievements of the various departments. But on September 19, a group of Bureau employees were with the departments, developing a comprehensive system of progress reports, and summarizing such reports for the President. Specifically, conferences were in progress in the War Department with officials of the Air Corps on its training and personnel expansion program, with the Chemical Warfare Service on the procurement of gas masks, and with the Engineer Corps on the procurement of searchlights.

I HAVE already referred to the conflicts and confusion which arose when the departments, independently of one another, went directly to committees of Congress with proposed legislation, as well as with appropriation requests. The need for relating the legislative proposals of one department to those which might be submitted by other

agencies and to the general program of the administration appears obvious. Moreover, there are few acts of Congress which do not involve the spending of money in one way or another. Congressmen, naturally, cannot carry bills from department to department asking for advice. Yet they should have the benefit of the opinion of experts in the particular fields concerned, and they need to know what the President thinks about a proposed measure—how much it will cost, how it will affect the program of the department expected to administer it, and how it is related to the programs of other departments.

The President, of course, cannot personally deal with all bills. For this reason, the President has charged the Bureau of the Budget with the job of clearing and coordinating departmental advice on proposed legislation, executive orders, and proclamations, and making recommendations as to his personal action on legislative enactments. On September 19, for instance, several letters advising departments that particular bills were or were not in accord with the program of the President were being prepared for my signature. Thus the Director of the Budget is able to do a great deal toward keeping the programs of the departments in harmony. In addition, the Legislative Reference Division prepares certain letters of a similar nature for the President's signature. For example, after communication with the White House, the head of the Legislative Reference Division was preparing for the President's signature a letter to the Secretary of War on proposed legislation to establish the position of Under Secretary of War.

The Legislative Reference Division was also discussing pending legislation concerning the disposition of funds received by the Treasury Department in settlement of a suit against an oil company connected with the naval petroleum reserves in California, preliminary to the preparation of a memorandum on the subject for the President. It was dealing with officials of the Interior Department concerning their report on a

proposed bill which would exempt Indians from two-year enrollment periods for C.C.C. work. The secretary of the Fine Arts Commission talked with a member of the staff regarding a resolution to establish a committee for the celebration of the two hundredth anniversary of the birth of Thomas Jefferson.

Let me give you an idea of the volume of this phase of the Bureau's work. By December 18, 1940, 4,841 bills—either in draft form or as House or Senate bills—had cleared through the Legislative Reference Division since the beginning of the 76th Congress in January, 1939, and by the same time, about 335 executive orders and 70 proclamations since January 1, 1940. These items vary in degree of complexity from a proclamation naming Pan American Aviation Day to the widely discussed Logan-Walter bill.

THE President cannot simply take for granted the existing ways of doing business and the existing structure of the departments. The yearly analysis and revision of budget estimates would be a hollow job if it could not be supported by suggestions to the departments for the improvement of their management when deficiencies have become apparent. The President needs to say, in effect, "You could do a better job with no more money, or less money, if you would reorganize this bureau or alter that procedure." To discover the points where such suggestions may be made and to offer concrete assistance in helping an agency to correct weak spots in administration and organization is an essential of budgetary work. Therefore, examples of assistance to departments in solving administrative problems appear in the inventory taken September 19. A joint conference between the Legislative Reference and Administrative Management Divisions was considering the draft of presidential rules and regulations for the payment of funeral expenses and cost of transportation of dependents and effects of government employees dying in

the United States and abroad while on official duty. A proposed project for the study of field agencies collecting statistics for the federal government was under discussion with the chief statistician of the Bureau of the Census.

Consideration was being given to the type of report to be submitted to the House Committee on Appropriations on the Bureau's findings, conclusions, and action with respect to standardizing hours of duty in Army station hospitals, Indian hospitals, and the Medical Center of the Bureau of Prisons. This work was supplementary to efforts over a period of a year or more which culminated in the establishment of a uniform work week of forty-four hours for civilian employees in virtually all federal hospitals. A staff member met with an administrative assistant to the President and representatives of the Council of Personnel Administration to discuss the problems presented to personnel officers in defense agencies by statutory restrictions on salary advancements during the current fiscal year.

The Division of Administrative Management was established to fulfill certain of the responsibilities assigned to the Bureau of the Budget by the Budget and Accounting Act, particularly the making of studies of the "organization, activities, and methods of business" of the departments and establishments "with a view to securing greater economy and efficiency in the conduct of the public service." In addition to some of the items mentioned above, the inventory of September 19 revealed that sixteen management projects and studies of departmental problems were under way. One of these, for example, involved the complicated, long-standing issue of how legal services should be organized within a major federal establishment.

It would be physically impossible for the Bureau to help the departments solve all of their organization and management problems, and it would be unwise for it to attempt to do so. Therefore, one of our principal courses of action is to encourage

the departments to give more continuous attention to the internal improvement of their own administrative practices. On September 19 the Bureau was advising one of the federal agencies on the improvement of its organization and procedure unit, and was assisting another agency to establish a new position for budget and management planning work.

A FIFTH major grouping of activities revealed by our inventory is the coordination of federal statistical services. The hundreds of questionnaires and forms used by federal agencies for statistical information must be cleared through the Division of Statistical Standards. On September 19, representatives of the Social Security Board were in conference with the staff on a proposed revision of the annual tax form which employers fill out under the unemployment compensation title of the Social Security Act. A meeting was held with the American Council on Education regarding a selective service form for employers' and school heads' affidavits.

Much time is spent by the Statistical Standards Division in consulting and advising on statistical programs. Under discussion on September 19 was an outline for a base book of financial statistics to be prepared by the Federal Reserve Board. The Federal Trade Commission's system of collecting corporate financial statements was being reviewed in relation to a budget request by the Securities and Exchange Commission for funds to expand its collection of financial statistics. Constant effort is being made to evolve a uniform industrial and occupational classification. The inventory showed that an analysis was being prepared of the existing differences in the industrial classifications used by the Bureau of Internal Revenue, the Social Security Board, and the Securities and Exchange Commission. Conferences were held with a representative of the California department of labor and the chief statistician of the Census Bureau on the development of a

standard industrial classification code. Members of the staff of the Advisory Commission to the Council of National Defense were consulting with the staff on objectives and functions of the Interdepartmental Conference Committee on Food Resources.

As is readily seen from these illustrations one aim of the Statistical Standards Division is to further the improvement and coordination of all federal statistical services. If various bureaus and departments set up their statistical services without regard for the general needs and policies of the government, and without reference to the sources of information already being tapped by other federal agencies, considerable inefficiency would result. Moreover, there would very likely be annoyance on the part of businessmen and other citizens required to make similar reports to several federal agencies. Clearance of statistical services through one central point helps to avoid overlapping of work within agencies and to prevent serious gaps in the information gathered. It leads to uniformity and comparable data. Finally, it directs statistical work toward the general objectives of the government, and discourages any tendency to make a strictly departmental case. The Bureau's work in the Division of Statistical Standards is a continuation of the work of the Central Statistical Board, which was transferred to it by Reorganization Plan I.

Two other classes of activity bobbed up in our inventory, miscellaneous assistance to the President and general informational services. Since the Bureau is dealing constantly with every department and agency, it necessarily becomes involved in almost all administrative matters of consequence. The President, therefore, utilizes the Bureau in handling a wide variety of executive matters. He turns to the Bureau for information on which to base decisions and frequently calls upon the Bureau to expedite desired action in the normal stream of administrative activity. The survey of September 19 records, for instance, the preparation of a letter from the President to

the Secretary of the Navy concerning the training of Naval Reserve ensigns. Also in course of preparation were letters for the President's signature regarding legislation to authorize an increase in the height of the Norfolk Flood Control Dam on the White River, Arkansas, and answering a request for an allotment from the President's emergency fund to demonstrate the feasibility of a program to end poverty. I might compare the Bureau in this capacity to the control room of a busy municipal airport, guiding the course of incoming and outgoing planes in accordance with prearranged plans and schedules.

Similarly, the Bureau is called upon to supply many types of information required by the departments, Congress, and the public. For example, on September 19 we find a university professor consulting our staff for information on appropriations for national defense. One staff member was revising a monograph used in answering requests for information about preparation of the budget, and another was handling an inquiry about maintenance by the Bureau of a list of hotels giving reduced rates to government employees on official travel. A syndicate writer publishing a "Washington Letter" came in to inquire about federal expenditures for the fiscal year 1941.

IV

THE main function of the Bureau is to serve as an agent of the President in coordinating operations and in improving the administrative management of the government. To carry out this purpose, the Bureau gathers and makes available information which will help the Chief Executive and the Congress in resolving policy issues, and which will implement the execution of whatever policy may be decided.

Let me draw an analogy. A centralized nervous system is the chief form of organism that distinguishes a higher from a lower species of animal. Man can think because what he sees, what he hears, and what he feels are all conveyed to a single center for classification, comparison, decision, and ac-

tion. The Bureau of the Budget, along with the other divisions of the Executive Office of the President, provides a system by which information can be collected, classified, compared, and transmitted for decision by the Chief Executive. Processing of departmental estimates, study of fiscal policies, follow through on departmental programs, coordination of statistics, organization and management surveys, clearing of legislation and executive orders—these are senses by which the President is enabled, under modern conditions, to do the job entrusted to him by the Constitution: namely, to get from the various departments information about "the duties of their respective offices" and to transmit to Congress his recommendation of such "measures as he shall judge necessary and expedient."

Deciding basic policies is clearly outside the Bureau's role. This is the function of the President and Congress. Hence the Bureau, or any budget office for that matter, cannot be evaluated by such standards as whether or not the government's budget is balanced, expenditures reduced or increased, taxes lowered or shifted, or particular activities cut or expanded.

The experience of nearly two decades shows that the principle of a central bureau of the budget is a sound one, but that the machinery set up in the Bureau has been too restricted in size and scope to enable it to fulfill its responsibilities completely. During the past two years I have tried to build on the solid foundation laid by my predecessor, Mr. Daniel W. Bell. With the help of Congress, we have enlarged the staff and are better able now to carry on many functions of the Bureau heretofore neglected.

Thus far I have emphasized the role of the Bureau of the Budget as a staff arm of the President. The Bureau also contributes to more effective control by Congress of gov-

ernmental finances. The executive budget is not a device to take control away from Congress. Only by an executive budget prepared with the aid of a properly staffed bureau can the President give Congress a well-rounded view of administrative and financial requirements. Only through such a budget can Congress keep informed of the progress made by governmental agencies so that it may have adequate information on which to base future policy decisions. Under the old system, congressional energies were dissipated on a host of uncoordinated appropriation requests, with the result that the needs of the nation as a whole were pushed into the background.

I think it pertinent to point out that congressional leaders have come to rely upon the Bureau because of its national rather than sectional or departmental point of view. And the Bureau, for its part, is taking very seriously the injunction expressed and implied in the Budget and Accounting Act, that the Bureau of the Budget shall furnish, upon request of any committee of either house of Congress having jurisdiction over revenue or appropriations, such aid and information as may be needed by the Congress. The relationship between the Bureau of the Budget and the appropriations committees of Congress is being strengthened as the Bureau proves its usefulness to these committees.

If this is the proper role for the Bureau of the Budget, the test of its value is found in how well the Bureau does its job. This job is, in a word, to help the President develop a suggested program of action for the consideration of Congress and, subsequently, to facilitate the economical and effective execution of the program. If the Bureau succeeds, it will be playing an essential role in the process by which democracy meets the challenge of a complex world.

The National Resources Planning Board

By CHARLES E. MERRIAM, *Vice Chairman of the National Resources Planning Board*

THE first function of the National Resources Planning Board is to serve as a clearing house of planning interests and concerns in the national effort to prevent waste and improve living standards. Another function is to cooperate with the departmental, state, and local agencies and, in general, to use the Board's good offices to see that planning decisions are not made by one group in ignorance of relevant undertakings or research going on elsewhere. Obviously much of this is a matter of diplomacy and intelligent interest rather than of legal authority and high command. Another function is that of collecting and analyzing data relating to our national resources, both human and physical, and of shaping advisory plans for the better use of these resources.

The gains of civilization are essentially mass gains and they should be allocated as fairly as possible among those who create them. But frequent recurrence to fundamental principles is necessary and unless some overhead central agency takes an over-all view from time to time, analyzes facts, and suggests plans to insure the preservation of the equilibrium upon which our American democracy rests, there is danger that the balance will be badly upset. Thus it is that the executive should have ample ways and means of taking such an over-all view of the best and highest use of the national assets which we have inherited from our fathers and which we aim to hand on to posterity, enlarged and enriched by our efforts.

Translation of over-all planning into action is, of course, the administrative responsibility of the Chief Executive, dependent finally, to be sure, upon the decision of the Congress. It cannot be too strongly emphasized that the function of this Board is not that of making final decisions upon broad questions of national policy, a responsibility which rests and should rest firmly upon the

elected representatives of the people of the United States. Such a board is useful in proportion as it is detached from immediate political power and responsibility.

Briefly, planning involves (1) the collection of elaborate basic data from original inquiry; (2) careful analysis of these data by skilled technicians; (3) a look around in order to see that various plans or efforts are not ignoring or working against each other; (4) a look backward to learn as far as possible from trends in what way we are moving; (5) a look forward, projecting either a particular plan or trend, an alternative, or a positive recommendation of a particular plan.

LOOKING at the technical organization of the National Resources Planning Board, we note that the Board is made up of three members appointed by the President and is organized in three divisions dealing respectively with the narrow field of public works, the general background of public works development, and industrial trends in the United States. The Board operates in considerable measure through technical committees made up partly of persons chosen from the different agencies of government and partly from citizens and experts in different fields who themselves are not affiliated with government. It has also developed a considerable panel of consultants, both as a means of saving money, for they work on a per diem basis, and as a device to secure the services of a number of experts in various fields.

Not all work is done by technical committees. In some instances the Board works through a staff. When such a staff is used, the Board may associate with it a committee for consultation on a particular plan, or phase of a plan, or on some proposal that comes out of deliberation or inquiry. In two

important instances the Board carried out a technical preliminary study of a broad problem: Mr. Gardiner C. Means' work on the American economy and Mr. J. K. Galbraith's report on public works. These tentative reports were sent to thirty or forty persons for comment and criticism.

In one instance the Board undertook to develop what it called the "organization of controversy" by getting comments on a particular document from various points of view. For example, there were comments on Means' *The Structure of the American Economy* by men like J. M. Clark and Alvin H. Hansen and by Means himself. The problem was both to get at the truth and also to show that in a government document citizens might expect to find not merely one point of view but statements of differences of opinion. We might expect statements of this kind to precipitate further discussion and further inquiry rather than to throw the weight of a government report for or against a particular plan or proposal.

Where do plans come from? One of the earliest reports of the Board was that of 1934.¹ In that report there was presented "A Plan for Planning" in which Professor Wesley C. Mitchell of Columbia offered a number of important observations on the general background of planning. Projects are initiated in various ways. Sometimes projects start by direction of the President; sometimes they are sent to the President either by individuals, agencies, or Congress and then are referred to the Planning Board; and sometimes the initiative is taken by the Board itself. Obviously, the Board does not begin any project on its own responsibility, but it may start an idea or set up an agenda which may or may not receive the approval of the President.

The first assignment was given the Board before it was made a presidential agency. In 1933 the Planning Board was set up by the Public Works Administrator who gave it a mandate to proceed on long-time planning

of public works. This was the basis of the elaborate study of public works, the conclusions of which appeared at the same time as the land and water studies. The study, *Research—A National Resource*, was initiated by the Board and approved by the President. The reports on urbanism and regionalism the Board originated and ultimately concluded with presidential direction. An idea may come from the Board itself, or from any one of its three divisions, or from any one of the three divisions acting with the director, or from any one of the technical committees or a subcommittee of a technical committee, or from official agencies entirely outside the federal government.

In respect to the subject matter of these plans, the Board has covered a wide area beginning with land and water resources, developing the field of public works *in extenso*, dealing with various aspects of urbanism and of regionalism, with population, with technology and its social implications, with long-time policy in relief, and with problems centering around what was called in the Means report "the structure of the American economy." Collateral with that inquiry, under the supervision of Dr. Hildegard Kneeland, studies have been made of consumer expenditure and consumer income with the cooperation of a number of other agencies: among them, the Department of Agriculture, the Department of Labor, and the Central Statistical Board.

A very considerable amount of the work of the Planning Board is not represented in published reports. Some may think the Board is active only when it publishes a document. Actually, much of the work consists of private memoranda and interoffice memoranda for the President, the Planning Board, its three divisions, or other agencies. Or they may be private memoranda which we present on our own initiative to the President or which the President asks of us. These, of course, are of a faster tempo and do not involve as much elaborate in-

¹ National Planning Board, *Final Report—1933-34* (U. S. Government Printing Office, 1934).

quiry, but sometimes they may be more useful than a detailed and heavy volume.

THE PLANNING BOARD is one of the three arms of administrative management. A full description of this position would involve the relations of the National Resources Planning Board (1) to the President himself; (2) to other members of the Executive Office; (3) to other regular federal agencies; (4) to various types of nonfederal official agencies; and (5) to sundry kinds of private agencies.

I will pass by the relation of the National Resources Planning Board to the President of the United States. The relations of the Board with the Bureau of the Budget have been most pleasant and friendly. This is due not merely to the important unification of personnel, fiscal, and planning management. It is also due to the deliberate design of juxtaposition in the State Department building. But more than to any other cause it is due to the genial, accommodating, and intelligent personality of the Budget Director himself; for I could imagine a situation in which the interrelations would be largely on paper rather than living realities.

The relation of the National Resources Planning Board to the Bureau of the Budget is most intimate at particular points, as, for example, in the task allocated to the Board of preparing a six-year report on projects in the field of public works. This report involves conference and consultation over a wide range of particular proposals, and much exchange of memoranda. Such staff memoranda from the Planning Board are utilized by the Bureau of the Budget in the manner it deems most appropriate.

The Board also has relations with the Bureau of the Budget through the Division of Statistical Standards (formerly the Central Statistical Board); through the Division of Administrative Management; through the newly developing Division of Fiscal Matters; and in more recent years, particularly this year, in consultation with the Bureau of the Budget on what we call

our December first report. That is a report required by the statutes on industrial trends and tendencies in the United States.

The Board's relations with the Office of Government Reports have to do with the form, substance, and distribution of government reports of the kind the Board issues. Also there are important relations with this particular division through access to the numerous local reports that are sent in to it by various field representatives. These are not by any means closed reports. They are open, in fact, to almost anyone who has a good reason to look at them. They are an extremely important repository of newspaper comment on what is happening in various governmental agencies scattered through the forty-eight states.

In connection with the emergency work of the government, our particular agency has had important contacts at several points, including collaboration with the Civil Service Commission in the preparation of a roster of scientific personnel. The Board has endeavored to be useful to the Office for Emergency Management in the collection of data regarding industrial plant location. The Board has collaborated particularly with the Division of State and Local Cooperation and has been able to help bring about important contacts with the various state planning boards now found in nearly all the states. It has collaborated with the same Division through its Bureau of Research and Statistics, with which it has carried on many informal conferences and interchanges of material. The Board is taking important steps in planning for the post emergency period.

With reference to other federal agencies outside of overhead management, the Board has endeavored to encourage planning activities in the various departments of the government. There is now a planning division, specifically so called, in the Department of Agriculture. There is one in the making (provided Congress gives an appropriation) in the Federal Works Agency; there is a general committee in the Department of the Interior which is not called a

planning committee but which may serve the same purpose; and there are planning divisions in the War Department and in the Navy Department. There are similar enterprises not labeled planning but doing much the same work in a variety of other agencies, as, for example, in the Treasury, in Commerce, in the Federal Reserve Board, and in other independent agencies.

The Board has endeavored to make a special connection with federal agencies through its various technical committees, dealing with particular topics assigned by the President. These committees usually have representatives of several federal agencies, as, for example, the Committee on Long-Range Work and Relief Policy. The chairman of this committee is Dr. William Haber, who does not at this moment hold any government position but is at the University of Michigan. Other members are Dr. Will W. Alexander, an officer of the Rosenwald Foundation and Administrator of Farm Security; Mr. C. M. Bookman, head of the Cincinnati Community Chest; Mr. Corrington Gill, Assistant Commissioner of Work Projects Administration; Father Haas, dean of the School of Social Sciences of the Catholic University of America; Mr. Fred K. Hoehler, executive director, American Public Welfare Association; Miss Katharine F. Lenroot, Chief of the Children's Bureau; and Miss Mary E. Switzer, Assistant to the Administrator, Federal Security Agency. This group represents a fairly common pattern, bringing together four or five federal agencies and combining them with experts in various fields outside the government service.

Another case illustrating the possibility of widespread connections with other federal agencies is the Committee on Water Resources. There is water in quite a number of government bureaus and agencies—not in the sense that the Director of the Budget would use that term, but water in the sense of H_2O . I mention only the governmental interests and representatives that are involved in the Committee on Water Re-

sources: Mr. Milton S. Eisenhower, Director of Information, Department of Agriculture; Mr. Edward Hyatt, state engineer of California; Mr. Leland Olds, Chairman of the Federal Power Commission; Mr. John C. Page, Commissioner, Bureau of Reclamation; Mr. Glenn L. Parker, chief hydraulic engineer, Geological Survey; Mr. Theodore B. Parker, chief engineer of the Tennessee Valley Authority; Major General Julian L. Schley, Chief of Engineers, War Department; Mr. R. E. Tarbett, senior sanitary engineer, U. S. Public Health Service; and Mr. Julius Wendzel of the Department of Agriculture. These are the practical ways in which departmental lines are crossed and agencies are brought in contact with each other for the purpose of piecing together a national plan from the point of view of overall administration.

The Board has undertaken also a number of cooperative projects with other federal agencies, some of them on a very large scale. The most notable of these were the Kneeland reports on consumer expenditure and consumer income which the Board carried on in cooperation with the Central Statistical Board, the Department of Agriculture, the Department of Labor, and the Work Projects Administration.

The National Resources Planning Board has undertaken to bring together partial plans made elsewhere and to join together agencies for central planning under circumstances where otherwise it would be very difficult or almost impossible. Each agency naturally plans and should plan for activities within its own jurisdiction. It is the function of the Resources Board to clear these plans or programs so that they do not run afoul of each other, to piece together plans that otherwise might not fit together, and to take an over-all view different from that of the special operating agencies charged with particular and specific responsibilities.

Examples of such coordination of plans are the development of the multiple use of water instead of the single uses planned

through a series of scattered agencies dealing with water; the land retirement and land reclamation policy which obviously interests two of the departments and many other agencies; a long-time program for public works which spreads over and involves the cooperation of practically all of the agencies of the government; the long-term relief policy; and the development of population studies.

The National Resources Planning Board also deals with local agencies and particularly with the state planning boards. There are now about forty of these planning boards, some of them operating more vigorously and some of them less vigorously. They have survived the storm of political mutations and hardly anyone now raises the question in most cases whether the state planning board is a Republican or a Democratic institution. There are about as many of one type as of the other.

We have also endeavored to deal with regional planning groups. We have aided in setting up nine regions for planning. The Pacific Northwest Regional Planning Commission is perhaps the best known group of this type, although the Tennessee Valley Authority is a grand example of a different form of regional planning in another style of operation. The Board has also established important relationships with the Council of State Governments and with the various commissions on interstate cooperation.

The Board has also dealt with private agencies interested in planning. The most notable example is its Science Committee. Here groups were brought together that never came together before, namely, the National Academy of Science, the Social Science Research Council, the American Council of Learned Societies, and the American Council of Education with its twenty-seven constituent organizations.

The members of this committee are designated by these four groups. These scientists have undertaken with the United States government some very important studies, notably the study of population; the study

of the social implications of technology; and the study of research as a national asset—research in the national government, in private industry, and ultimately in the various local governments.

THE planning function is, of course, advisory in its nature with no power to command or to give orders. In the report of the Committee on Administrative Management it was suggested that there be three joint congressional committees corresponding to the three agencies of over-all administrative management: budget, personnel, and planning. We suggested that through these agencies Congress might get a very clear and a very quick view of what was happening in the field of overhead administrative management. This suggestion has not yet been carried out.

In these various ways, then, the Board serves as an arm of administrative management with budget, personnel, government reports, and emergency management, each contributing its part to the over-all management of which the President is in charge. The management of public business, under the supervision of the Congress, is indeed one of the President's most important functions, together with party and national leadership.

Instead of concluding that a democracy cannot manage or plan, we know that the contrary is true; namely, that the nature of the democratic association is best adapted to management and planning. Cooperation is the key to efficiency in planning and management, and cooperation is most richly obtained when those concerned with the common welfare are consulted about the common good. Cooperation, in the long run, will produce more units of material and spiritual good than clubbing. According to the old phrase, "The strongest are never so strong but that they try to turn their might into right and obedience into duty." In democracy duty springs spontaneously from consultation and consent freely arrived at and freely given.

In government, as in industry, the strategy of the new scientific and technological world calls for less of violence, less of brutality, less of authoritarianism, and not more; for more of cooperation and for more of consent; less charity and more fraternity; less

shooting and more persuasion; less drifting and more consideration and planning of objectives; and finally, more sound administrative management under immediate executive direction and under final legislative supervision and control.

The Liaison Office for Personnel Management

By WILLIAM H. McREYNOLDS, *Liaison Officer for Personnel Management*

THE United States Civil Service Commission was originally established as an arm of the Chief Executive. Subsequent developments, however, tended to obscure this relationship. The Commission gradually became administratively isolated from other federal departments and agencies and from the Chief Executive. The creation of the Liaison Office for Personnel Management as a division of the Executive Office of the President, headed by one of the administrative assistants to the President, has brought the Commission within the administrative family and has opened a new and needed channel between the Commission and the President, who, for constitutional and practical reasons, must be vitally concerned with personnel matters.

The Pendleton Act of 1883, authorizing the establishment of the United States Civil Service Commission, was not the first formal effort that had been made to eliminate patronage in federal appointments. From time to time, the heads of the executive departments had made sporadic efforts to set up their own particular systems to prevent patronage abuses. Generally speaking, these nonuniform and uncoordinated plans were not effective. Any temporary success which some of them may have had was soon washed away with the changing of department heads.

Congressional recognition was given to the direct part which the Chief Executive must necessarily play in personnel matters by inclusion in the act of March 3, 1871, of a provision that authorized the President

to prescribe such regulations for the admission of persons into the civil service of the United States as may best promote the efficiency thereof, and ascertain the fitness of each candidate in respect to age, health, character, knowledge and ability for the branch of service into which he seeks to enter; and for this purpose he may employ suitable persons to conduct such inquiries, and may prescribe their duties, and establish regulations for the conduct of persons who may receive appointments in the civil service.

Under the authority granted in this act, President Grant appointed a board of seven members and clothed it with the power to hold examinations for entrance into the federal service. After a short life, this board was disbanded because of lack of funds. Nevertheless, the statute has never been repealed. It remains in effect today. Presidents have usually relied on this law, as well as the later Civil Service Act, whenever they have issued rules governing the work of the Civil Service Commission.

When the act of 1871 proved ineffective, civic and political leaders continued their efforts to eliminate partisan spoils appointments to the federal service. Their efforts were finally rewarded by the adoption of the Pendleton Act of 1883. This act authorized the establishment of the present Civil Service Commission, which was definitely made an arm of the Chief Executive and was not established as an independent agency outside of the President's direct control. This status was made clear by four facts:

1. The actual appointment of the Civil Service Commissioners was made discretionary with the President, who was author-

ized, but not directed, to appoint the three Commissioners.

2. The Commissioners were to serve without a fixed term at the pleasure of the President, who was specifically authorized to remove any Commissioner.

3. The Commissioners were given the duty of aiding the President "as he may request" in preparing suitable rules for carrying the act into effect. The rules were to be determined and promulgated by the President and not by the Commission.

4. The Commissioners were authorized to control examinations and to make regulations, subject to the rules determined and promulgated by the President.

Thus the Civil Service Act of 1883 and the earlier general act of 1871 both recognized the primary interest which the Chief Executive had in personnel matters, and the complete control which he should have over them. This recognition resulted from both constitutional and practical considerations. The Constitution specifically places the executive power in the President. It also recognized the President and his department heads as the appointing authorities for officers and inferior officers in the executive branch of the government. The framers of the act clearly understood that the executive head of an enterprise must necessarily exercise considerable direct authority in developing and effecting personnel policies.

But constitutional and logical considerations, although clearly recognized in the Civil Service Act, were not sufficiently strong to overcome other factors that were pulling in the opposite direction. The steady growth in the size and activities of the federal establishment, and other developments in the period after the Civil War, served to separate the Civil Service Commission from the close working relationship with the President which the laws provided.

The period following the Civil War was one of increasing economic, political, and social activity for the United States. Political

machines grew and flourished in certain states and cities. The Tweed Ring ran rampant in New York City. The citizenry of the country began to question the integrity and purposes of many of their financial, industrial, and political leaders. A feeling became widespread that governments were dirty and corrupt, and in need of a thorough cleansing.

A great governmental reform movement resulted. The drive for the elimination of patronage and spoils in filling governmental posts was a highly important aspect of the movement. The prevention of abuse was paramount in the thinking of many of these reformers. Their major aim was to stop undesirable practices rather than to create positive methods for directly facilitating the good administration of governmental affairs.

IT WAS in such an environment that the United States Civil Service Commission came into being. Reform influences and skepticism of the motives and practices of political leaders remained strong during most of the first thirty or forty years of the Commission's existence. This atmosphere was unmistakably manifested in the character of the Commission's work, which reflected the belief that the Commission had been established to serve as a policeman to protect the federal service from the evils of the spoils system. There was a steady pulling away from the influence of the Chief Executive and a desire to be insulated from him and his department heads. Gradually, access to the Chief Executive became more difficult and too infrequent.

The feeling developed among civil service commissioners, their staffs, and reformers that the civil service system was "their" system and that the Chief Executive was its enemy. This attitude had no sound basis in fact. Long before the Congress was willing or ready to accept the suggestion, a number of presidents had urged the creation of a plan for regulating appointments to the federal service and preventing spoils

abuses. As chief executives, responsible for the successful administration of national affairs, they were acutely aware of this need. When the Pendleton Act of 1883 was adopted, the President was given complete control of the agency and system which it authorized. The presidents have always had the power to remove any or all positions in the federal service from the jurisdiction of the Civil Service Commission. This authority has never been abused to any significant extent. On the contrary, presidents have usually been willing to proceed with the extension of the merit system to a far greater degree than the Congress. In fact, the latter body has often refused to accept the recommendations of the Chief Executive regarding the extension of civil service provisions.

Despite the interest which chief executives have taken in extending the competitive civil service, the trend toward administrative separation of the Commission and the President was strengthened by the expanding activities of the federal government. In 1883 there were 131,208 employees in the executive branch. Of this number 13,780 were in the competitive classified service. By 1910, these numbers had increased to 370,000 and 222,278, respectively. Subsequent decades witnessed a continued pronounced growth in the size of the federal government and in the scope of its activities. In 1899, President McKinley was able to meet his responsibilities as Chief Executive by dealing with only ten heads of departments and agencies. By 1937, that number had grown to over one hundred and included a number of independent, multiple-headed agencies. This increasing work load with which succeeding presidents were faced tended to take such a great portion of their time and energy that little was left for them to give to the Civil Service Commission.

In addition to these problems, many presidents found it exceedingly difficult to obtain, through a three-member commission, the ready and responsible advice and help which they needed in making final de-

cisions in personnel matters. It was difficult to maintain a close and satisfactory contact with a bipartisan, multiple-headed agency. There was no device or machinery to aid in overcoming this difficulty.

Thus, in actual practice, the channel of administrative communication between the Civil Service Commission and the Chief Executive became narrower and more tenuous. This development, which was not contemplated by the Civil Service Act, took place during a period when the President needed competent advice and aid on personnel matters to an increasing degree. This need became more pronounced as the Commission was made responsible for administering provisions of the Retirement Act and the Classification Act, as well as other provisions of law. It led to a situation that was unsatisfactory both to the President and the Civil Service Commission. Many presidents, unable to obtain adequate personnel advice from the Commission, turned to other officials and agencies of the government for help. Thus, the Commission was further pushed into the isolation which it had earlier sought.

A NUMBER of efforts were made to correct this situation. In 1932, President Hoover proposed the establishment of the position of Personnel Administrator, retaining the Civil Service Commission as an advisory body. This suggestion was not followed. Subsequently, however, the President's Committee on Administrative Management made a similar proposal. The Committee suggested that the Civil Service Commission be reorganized "into a Civil Service Administration, with a single executive officer, to be known as the Civil Service Administrator, and a nonsalaried Civil Service Board of seven members," with advisory and certain review functions only. This suggestion was accepted by President Roosevelt and recommended by him to the Congress.

The President's Committee on Administrative Management based its recommendations on: (1) the need for more unified,

constructive, and energetic management of the personnel agency's affairs than it believed was possible under a multiple-headed agency; (2) the need of the President as Chief Executive for ready and responsible advice on personnel matters; and (3) the need for a more adequate contact between the Civil Service Commission, as the central personnel agency of the government, and the President and the other governmental agencies.

In its report, the Committee graphically verbalized vague ideas that had long been forming in the minds of many administrators. It spoke of "managerial" agencies that would aid the Chief Executive in managing the vast and complicated administrative machine of the federal government, and placed the personnel agency in this category. The Committee stated that "Personnel administration lies at the very core of administrative management." It further stated that "Personnel management is an essential element of executive management. To set it apart or to organize it in a manner unsuited to serve the needs of the Chief Executive and the executive establishments is to render it impotent and ineffective." To some, this was a revolutionary concept. To others, it was merely a return to sound management principles and to the intent of the Civil Service Act and the provisions of the Constitution.

The Congress failed to accept these suggestions, but did authorize the President to appoint six administrative assistants and to reorganize a part of the executive branch by issuing executive orders to transfer, consolidate, or abolish agencies. The Congress specifically exempted the Civil Service Commission from this general reorganization authority. Nevertheless, in his message to the Congress transmitting Reorganization Plan No. I, the President placed the Congress on notice that he would take appropriate action to include within the Executive Office of the President at least a part of the personnel functions that were essential for good management of federal affairs.

In that message, the President stated:

Because of an exemption in the Act, it is impossible to transfer to the Executive Office the administration of the third managerial function of the Government, that of personnel. However, I desire to inform the Congress that it is my purpose to name one of the administrative assistants to the President, authorized in the Reorganization Act of 1939, to serve as a liaison agent of the White House on personnel management.

Reorganization Plans No. I and No. II were approved by Congress. No reference was made to the President's declaration of purpose regarding personnel matters. There was thus an implied approval of the action which the President proposed to take.

This action was followed, on September 8, 1939, by the issuance of Executive Order No. 8248, establishing the Liaison Office for Personnel Management as the fourth of the six divisions set up within the Executive Office of the President. Section II, 4 of the order contained the following statement:

In accordance with the statement of purpose made in the Message to Congress of April 25, 1939, accompanying Reorganization Plan No. I, one of the Administrative Assistants to the President, authorized in the Reorganization Act of 1939, shall be designated by the President as Liaison Officer for Personnel Management and shall be in charge of the Liaison Office for Personnel Management. The functions of this office shall be:

- (a) To assist the President in the better execution of the duties imposed upon him by the Provisions of the Constitution and the laws with respect to personnel management, especially the Civil Service Act of 1883, as amended, and the rules promulgated by the President under authority of that Act.
- (b) To assist the President in maintaining closer contact with all agencies dealing with personnel matters insofar as they affect or tend to determine the personnel management policies of the Executive branch of the Government.

The President subsequently appointed one of his administrative assistants to serve, in an ex officio capacity, as Liaison Officer for Personnel Management.

Acting within this frame of reference, the Liaison Officer for Personnel Management periodically meets with the Civil Service

Commissioners to discuss and consider the personnel policies of the executive branch and the problems with which the Civil Service Commission may be faced as the central personnel agency of the federal government. The President has delegated to the Liaison Officer for Personnel Management authority to decide, on his behalf, those problems which the Officer considers of concern to the Chief Executive. Thus, many policy matters may be quickly clarified without immediate presentation to the President and without the delay attendant upon a meeting of the Commission with the busy Chief Executive. The Liaison Officer, of course, subsequently reports to and discusses with the President the matters that have thus been considered.

The Liaison Officer for Personnel Management also maintains close contact with the executive departments, independent establishments, and other agencies of the federal government to discuss with their heads or their representatives the personnel problems with which they are faced. Similarly, appropriate relationships are maintained with the Council of Personnel Administration, made up largely of the directors of personnel of the federal agencies. In this manner, the Chief Executive is informed of personnel problems faced by the agencies of the government and takes an active part in determining major policies regarding them. Many of these problems are outside the jurisdiction and scope of activities of the Civil Service Commission, but are of direct concern to the Chief Executive. When they do relate to the Commission's work, the Liaison Officer discusses them with the Commission.

The Liaison Officer for Personnel Management, being a part of the Executive Office of the President, has ready and easy access to the other managerial agencies in that Office. Such access, particularly to the Bureau of the Budget, is of extreme importance. Many personnel matters have major budgetary implications. Too frequently in the past, the Civil Service Com-

mission and the Bureau of the Budget have not kept in close touch with each other. This difficulty has been met through the contacts and liaison activities of the newly established office.

When considering personnel matters or personnel policies, the President seeks the assistance of the Liaison Officer for Personnel Management. The President refers all proposals regarding personnel matters to the Liaison Officer, to bring together all pertinent facts and viewpoints, to determine that appropriate consideration has been given to the over-all management aspects of the problem, and to furnish advice. The President has indicated that he will not act on any personnel matters, except those regarding policy-determining posts, without obtaining the advice and recommendation of the Liaison Officer for Personnel Management.

THUS the President has accomplished many, although not all, of the purposes advanced by the President's Committee on Administrative Management for creating a civil service administration headed by a single civil service administrator. It is significant that the Liaison Officer for Personnel Management has been given no responsibility or authority for directly operating or administering the activities of the Civil Service Commission. These functions definitely remain with the three Civil Service Commissioners. On the other hand, the functions of the new office are largely of a liaison, contact, and advisory nature. Under them, the Liaison Officer for Personnel Management is charged with the responsibility of assisting the President "in the better execution" of the personnel functions imposed upon him, and in maintaining contact with all federal agencies that directly or indirectly affect the personnel management policy of the executive branch of the government. He has been made the President's chief adviser on personnel matters.

In the performance of these duties, the Liaison Officer for Personnel Management

is greatly aided by the fact that the office for which he is responsible is one of the six divisions in the Executive Office of the President. He is further aided by the fact that, as Administrative Assistant to the President, he is located in the White House offices with direct access to the President. Through this arrangement, the lines of communication between the Chief Executive and the Civil Service Commission as well as those between the Civil Service Commis-

sion and other governmental agencies have been reopened. This means has given the Civil Service Commission a new status in the government and has brought the personnel function into contact with other managerial functions. It has thus returned personnel administration to the high and important place in the work of the Chief Executive which is essential for good management and which is contemplated by the Constitution.

The Office of Government Reports

By LOWELL MELLETT, *Director of the Office of Government Reports*

A FAVORITE theme of the newspaper feature writer is the story about the trusting soul who writes directly to the President to ask for help. The newspaper editor prints stories of this kind and the newspaper reader enjoys them, perhaps because they consider the direct approach to the White House naïve and amusing. But such stories illustrate, in a crude way, a fundamental fact and a fundamental need in our governmental system. The fact is that the American citizen wants to be able to deal with a single responsible center in the federal administration, a center that can be found only in the office of the President, and the need for machinery through which the citizen can get information about all departments of the government is one that has been proved abundantly during recent years.

In the current defense program, as during the recovery program of 1932 and subsequent years, it was not only the crank who looked for help of this kind. Businessmen seeking information about purchasing and regulatory agencies, state and local government officials wanting to know which departments were undertaking work that impinged on their programs, and private citizens and unofficial organizations of all kinds desiring guidance to the sources of data that vitally affected their interests, all had a legitimate reason for wanting a single

center of information to which to turn.

The need for clearance of information between the federal government and the public, however, was not altogether a private need. Federal agencies from the President and Congress to bureau officials and research workers needed to know what the public was thinking and doing about the various governmental programs so that the programs could be founded on democratic cooperation rather than on government fiat. Each federal agency, furthermore, needed to know what the others were doing, and it was obvious that a central office to provide clearance for such information would save a tremendous amount of time and work.

The first effort to set up machinery to meet these needs resulted in the establishment of the National Emergency Council, of which the U. S. Information Service was a part. There had been earlier and less formalized efforts, of course, such as the preparation of the "Yellow Journal," a daily collection of press clippings that was compiled in the White House in the days of Theodore Roosevelt. But the National Emergency Council provided a more adequate system of exchange of information.

Based on Reorganization Plan No. II and Executive Order No. 8248 (September 8, 1939), this system was established in the Executive Office of the President as the

Office of Government Reports. Among its duties were those of assisting the President in clearing information between the federal government and state and local governments and the general public; of keeping the President informed of their opinions, desires, and complaints; and of distributing information concerning the work of the executive departments and agencies to Congress, administrative officials, and the public.

The functions outlined in the executive order are carried out through the three operating divisions of the Office of Government Reports: (1) The Division of Field Operations, with thirty-four state and regional offices which serve as central contact points in the field for citizens and for representatives of federal, state, and local governments; (2) the Division of Press Intelligence, which maintains for distribution to government officials the only permanent chronological press record on national affairs for the past seven years; and (3) the United States Information Service, which provides in Washington and New York a central clearing house for inquiries concerning all branches of the government. This paper is intended to give a brief description of the principal duties of each of these divisions.

THE headquarters office of the Division of Field Operations supervises the coordination, liaison, reporting, and informational activities of its state directors. It informs federal agencies of problems reported by state directors, and assists in the adjustment of these problems. It clears legislation proposed by federal agencies for enactment by state legislatures, and prepares for the information of federal agencies concerned reports on state legislation which may directly or indirectly affect their operations.

Furthermore, it collects and makes available on request information concerning the purposes and activities of the executive departments and agencies, compiles informational statistics covering selected federal ex-

penditures on a county and state basis, and prepares a special tabulation of defense contracts and expenditures. Thus it supplies state directors with information to enable them to serve as central clearing houses through which individuals, organizations, state or local governmental bodies, and the field offices of other federal agencies may transmit inquiries and complaints and receive advice and information.

The inauguration of the defense program placed particular emphasis on the public information phase of this work and brought about considerable expansion of activities both in Washington and the field. The two principal reasons for the additional work were that the National Defense Advisory Commission and several other defense agencies without field offices frequently called on both the Washington office and the state directors for assistance, and the inauguration of new federal activities resulted in a deluge of inquiries from the public for information concerning civilian relationship to the defense effort.

Businessmen, particularly manufacturers, have especially needed information, and to fill their requests alone the O.G.R. has distributed many thousands of publications outlining the proper procedure for manufacturers to follow in making contact with the defense services. Thus it has been possible for hundreds of business firms to obtain the desired information without traveling to Washington, and federal agencies have been saved a great deal of time in answering inquiries. In other instances, however, state directors have referred inquiries to Washington on special points not covered in the regular informational bulletins of the defense agencies, and the headquarters office has assisted them in arranging appointments with the appropriate officials.

A special tabulation, "National Defense Contracts and Expenditures," covering all kinds of private contracts and loans and grants to public bodies, is distributed only on written request. It helps businessmen to

locate possible subcontracts; it shows potential markets to manufacturers, possible customers to shippers and banks, helps the W.P.A. determine the areas in which defense employment will relieve demands for W.P.A. assistance, and enables the state employment services to anticipate labor needs. Although distributed only on request, more than nine thousand copies of each state issue and one thousand copies of complete sets covering all states are being distributed twice a month. In addition, the U. S. Chamber of Commerce is making a tabulation, based on this report, of all contracts over \$100,000, and is distributing it twice monthly to more than 3,500 persons.

To assist the field offices to answer the maximum number of questions with the minimum delay, the Washington office studies the informational publications and releases of all federal agencies daily, and selects and forwards to the field those which will be helpful. Because many local papers do not carry an adequate presentation of federal news, a daily "Information Digest" summarizing the preceding day's developments is sent to all field offices, and even in Washington it is useful enough to be requested by a large group of ranking officials. "This Week in Defense," a weekly summary of defense developments, now goes to more than 2,500 officials in Washington and the field.

When state directors report a particularly heavy demand by the public for information not covered in regular publications of the various agencies, information is prepared to meet the demand. For instance, many citizens wanted to know how they could obtain jobs or training in connection with defense. Specific inquiries could sometimes be answered by sending a publication of one of the departments, but general ones—which were more common—required a collection of materials. The public was apparently confused about the vocational training programs. The O.G.R. therefore prepared a pamphlet, *Defense Employment and Training for Employment*.

Other publications of the office bring together information and statistics which are available in no one federal agency. The *Informational Handbook* is a collection of statistics on subjects of general interest to students and writers, covering national income, public debt, farm income, employment, cost of living indices, and interest rates of federal agencies. *Activities of Selected Federal Agencies, 1933-1940*, is a brief outline of the operations of the more important emergency and recovery agencies. There are also several analyses of federal expenditures, one showing federal loans and expenditures by agencies by states, another giving the same information broken down by counties, and a third giving state data on federal loans and expenditures and a narrative review of federal agency operations. All these services are of value to federal agencies and departments as well as to the general public.

Of equal importance is the function of reporting to the administration what citizens, groups of citizens, and state and local government officials think of the work of federal agencies. To that end, during the past year state directors prepared and the Division of Field Operations summarized and analyzed twelve nation-wide reports and several hundred special reports covering limited areas or problems, to keep the President and other officials informed of public reaction to various federal agencies and programs. At the present time there is in preparation a detailed nation-wide report on the vocational training program which, like certain of the other surveys, was specifically requested by the agency concerned.

Most of these special reports were discussed by staff members with officials of the appropriate agencies in Washington. The subjects of such conferences ranged over practically the entire field of federal activity—problems in connection with the Wage and Hour Act, expansion of the food stamp plan, inauguration of the civilian aviation training program, defense vocational training program, selective service program, reg-

istration of aliens, study of barriers to interstate commerce, and similar subjects of importance to efficient federal operation and the defense program.¹

ANOTHER activity of the Office of Government Reports is the clearance of bills proposed for submission to state legislatures, to enable state participation in federal programs. Proposed bills are examined from the point of view of policies and objectives. Where there appear to be duplications in proposals for the same state, the sponsoring agencies collaborate in preparing composite redrafts; where proposals may affect the operation of other federal agencies, the agencies concerned are consulted and, if necessary, conferences are arranged to work out satisfactory adjustments. The state directors report on the progress of this and other state legislation affecting the operations of federal departments and agencies, and digests of these reports are furnished at regular intervals to the agencies concerned. This legislative reporting service is used extensively by federal bureaus and agencies which have no representation in the individual states.

While only eight regular and eight special sessions of state legislatures were held during 1940, more than three hundred semi-monthly reports on the status of proposed legislation were furnished to sixty government agencies. Special reporting and research service was given the Bureau of Agricultural Economics, the U. S. Public Health Service, and other agencies. Fifty-eight bills submitted by seven federal agencies were cleared for introduction.

The field offices of the O.G.R. sponsor a series of broadcasts entitled "U. S. Government Reports." This year fifty-one fifteen-minute interviews have covered the activity of thirty-four agencies and bureaus,

¹In addition to liaison work in connection with problems confronting other federal and state agencies, the state directors have been particularly effective in marshaling assistance in such emergencies as the disastrous tornado in Albany, Ga., last February, and the destructive floods in Louisiana later in the year.

and a series of fifteen electrical transcriptions on the national defense program has been broadcast over some 250 stations throughout the United States.²

THE Division of Press Intelligence provides for government officials—executive, legislative, and judicial—a central clipping bureau through which is available an accurate survey of editorials and news items in the principal newspapers throughout the country. Before the organization of the Division, various departments and agencies subscribed to commercial clipping bureaus but found the service expensive and often unsatisfactory due to duplication and the difficulty of meeting special and frequently changing requirements. Many departments and agencies kept clipping files but did not make them available for the use of others. The Division's unique permanent clipping file now contains nearly 5,500,000 clippings covering the activities of all branches of the federal government and matters of related interest.

The Division furnishes four distinct types of services. The *Daily Bulletin* provides an index of news and editorial comment on public affairs. The items are gathered from 350 daily newspapers of key cities throughout the country. Over 114,000 papers were read in 1940, and over 436,000 news items and 203,000 editorials were edited and grouped under department headings in the *Bulletin*. It is distributed each morning to 560 federal officials and serves not only as a daily summary of news and editorial comment, but as a permanent index to the clippings on file in the Division.

The service unit provides for the prompt delivery of clippings requested. This year

²A special activity of the Division of Field Operations deserves mention. In 1939 it established a central clearance index within the West Virginia State Department of Public Assistance. The officials in charge of the index do not exercise any administrative control, but the index does make available to the participating agencies complete information on all persons receiving federal or state assistance. During 1940 adaptations of the index were developed for Minnesota and Indiana, and they are now being successfully operated by state officials.

168,300 clippings have been lent and over 1,750,000 duplicate clippings furnished. The clippings are sorted and subdivided for the various sections of each agency, and are delivered daily as soon after the appearance of the items as the arrival of the papers permits. Since the orders change frequently and there is no way of predicting the number of departments and subjects mentioned in each individual story, or the number of departments wanting the same story, the service unit distributes photo-stats of clippings rather than subscribing to extra copies of the papers.

The file clippings are used by *Bulletin* subscribers who may wish to see the original clippings listed in the *Bulletin* but have no need to keep them. If an official wishes to see all comment on a certain subject over a period of months or even years, the clippings, sometimes several hundred or even several thousand, can be taken from the file and delivered to him promptly. As an example of the scope of this service, during the first eleven months of 1940, 152,799 clippings were sent to members of Congress.

Special research is provided upon request. In 1940, over 1,900 requests for special research were filled. There are daily requests for items which may not have appeared in the *Bulletin* and for which the seeker may have no clue as to time or source. All the more important newspaper columns are filed by date, under the name of the columnist, and are easily accessible for reference. Special surveys and memoranda on news and editorial comment are prepared upon request.

Magazine Abstracts, a weekly summary of articles and editorials on government affairs from fifty weekly and monthly magazines, is distributed to over 1,200 members of Congress and government officials. At the request of the State Department three hundred copies are mailed each week to representatives in the foreign service to enable them to keep in touch with national affairs. The original magazines are kept on file in the Division to be lent upon request.

The permanent clipping file and the other related services are available only for the use of officials of the federal government and members of Congress, since limitations in budget and staff and the increase in official demands make it necessary to restrict the service to official use. The value of the permanent indexed file grows greater each year, since there is no other such collection of clippings on governmental affairs in existence.

THE United States Information Service provides the public with a single central clearing house in Washington for inquiries concerning all branches of the government. The Information Service was established to make available to the public factual information regarding government departments, agencies, and functions. Actually the Information Service has also been widely used by other federal agencies and members of Congress. It assists the government in serving the public by the direct routing of inquiries and general public business. It provides for individuals and organizations a ready means of communication with the proper federal offices.

In its seven years the Service has never handled fewer than 44,000 inquiries in any one year; this year the total has approximated 100,000. More than five hundred requests a month were received during 1940 from members of Congress.

The Service limits its dissemination of information to strictly factual matters. The staff does not undertake to interpret regulations, orders, reports, or other data provided for persons requesting information. Students, research workers, and writers in search of factual data on the government use the reference facilities of the Service in addition to making specific inquiries.

Considerable time and effort are saved government offices and the public by the publication of the *United States Government Manual*. Published by the Service three times annually and sold by the Superintendent of Documents, the manual is a

reference book on the creation and organization, functions, and activities of all branches of the government.

The Office of Government Reports has developed facilities for answering any question concerning government operations which are not considered confidential, as sometimes in the case of the armed services. The important policy back of this service is to answer all questions, make any possible information available, but *only* on request.

The special interest group can always maintain a skilled representative to keep it acquainted with the aspects of the federal government with which it is concerned. The general public, on the other hand, looks

to the President as the responsible Chief Executive of the federal government, an official to whom it is appropriate to direct advice, complaints, or requests for information regarding any executive department or agency. Likewise, only the President can appropriately provide for the interchange of information among the various parts of the executive branch. To enable the responsible Chief Executive to meet these needs, the Office of Government Reports was established as a division of his Executive Office; its experience, and that of the agencies whose duties it inherited, have proved that it has a permanent and important function to fulfill in the American system of government.

The Office for Emergency Management

By WILLIAM H. McREYNOLDS, *Liaison Officer for Emergency Management*

THE President of the United States must necessarily play an active and a central part in a national emergency. He is the representative of the whole people and is accountable to the entire country, not merely to one geographic, social, economic, or political segment of it. The Constitution vests him with the executive power of the United States government. He thus becomes the nation's Chief Executive. Even if he should want to do so, the head of any great enterprise cannot escape immediate responsibility for planning and directing activities which that enterprise must carry forward to meet an emergency. Furthermore, the Constitution charges the President with the responsibility of giving to the Congress information on the state of the Union, and recommending such measures as he shall judge necessary and expedient. It therefore contemplates that the President shall take the leadership in proposing plans and solutions to meet national problems. It specifically designates him as Commander in Chief, thus anticipating presidential leadership in time of an emer-

gency involving war or a threat of war. Different statutes likewise vest emergency authority in the President confirming his high responsibilities to furnish leadership in times of crisis.

Unlike the budgeting, personnel, and planning functions of the national government (which cannot be delegated by the President if he is to exercise effective management of the federal establishment), the activities for which the Chief Executive must be immediately responsible during an emergency are usually delegable to subordinate officers in the regular departments or agencies during ordinary times. During an emergency, however, they become so acutely significant and so supremely important that the President must exercise more direct and immediate control over them than in normal periods. Immediate responsibility for these activities must therefore be brought into the Executive Office of the President where this type of control can be effectively maintained. The Office for Emergency Management in the Executive Office of the President is the place in which such

activities may be located for this purpose. For instance, regardless of what functions or activities may later be brought into or removed from the Office to meet the present defense emergency, the Council of National Defense, the Advisory Commission to the Council of National Defense, all subordinate bodies and agents of the Council and the Commission, the Defense Communications Board, and the Office for Production Management are now being coordinated in and through the Office for Emergency Management under the immediate direction and supervision of the President.

National emergencies are not confined to periods of war or intense preparation for defense. They may result from an economic debacle or from a drought, flood, earthquake, famine, epidemic, or other emergency threatening the public peace or safety. When these catastrophes are of more than local importance and become matters of national concern because their impact is seriously felt throughout the country, a national emergency occurs. Although most of us may now be thinking in terms of the present defense program, the following remarks are directed to a discussion of the theory of organization to meet a national crisis regardless of its particular cause.

There are three major steps that must be taken to meet a national emergency. They might be called the three phases of crisis government. They are:

1. The identification and recognition of the emergency and its proclamation to the whole people;
2. Organization to plan for and meet the emergency; and
3. Recognition of the time when a particular problem has passed its emergency period, and when it and others related to it can be demobilized or restored to ordinary administrative channels.

To avoid future difficulties, actions during the second phase should be taken only after careful consideration is given to the prob-

lems which will arise during the third phase. Organizing for an emergency should be carried out not only with a view to the immediate crisis but also with a view to the result this will have on public and private activities and facilities during and following the emergency.

THE first step or phase, the identifying, recognizing, and proclaiming of the crisis or emergency, is a direct and immediate responsibility of the Chief Executive who, as previously indicated, represents the entire country and who is accountable to the whole people. His concern for the nation at large is uninfluenced by a possible interest in a special segment of it. The key part which the President must play in an emergency period has already been discussed. This role naturally includes a clear responsibility for informing the Congress and the people of an impending or existing crisis.

The second major step to be taken to meet an emergency deals with the organization of governmental and private agencies to make plans for the emergency and to carry out the policies and plans as finally determined. Decisions regarding these matters should be made with the four following factors in mind:

1. The important directive part which the Chief Executive must take in planning for and meeting emergency problems;
2. The need for disturbing the regular machinery and practices of public and private organizations as little as feasible so that the greatest possible use can be made of the facilities of existing agencies;
3. The desirability of keeping any special emergency organization as flexible as possible so that it can be easily and quickly altered to meet the new or changing demands of the crisis; and
4. The desirability of planning the special emergency organization in such a way that emergency activities may be easily demobilized or returned to ordinary channels when they are no longer required or are no longer of primary importance.

A plan for organizing to meet emergency needs should be appraised, in part, in terms of these factors.

It is essential that the efforts of all groups be appropriately directed to meet emergency problems. These efforts are made not only by the agencies of the federal government but by the agencies of state and local governments, and by private agencies and organizations as well. It is important that the energies of state and local governments be not directed at cross purposes to national policies but that they be coordinated with, and supplemental to, national plans. Major efforts are made by private agencies to meet problems arising as a result of an emergency. So far as possible and without interfering with recognized civil liberties, these should also be made a useful part of the national effort. It is therefore essential that the closest possible working relationships exist between public and private bodies if the nation's resources and facilities are to be effectively marshaled during an emergency period.

Our primary consideration is the type of organization of federal agencies that will lead to the fullest realization of this objective. It is unlikely that the several departments and agencies of the federal government are completely organized at any given moment during normal times for performing each and every function which may be essential during an emergency. Certain new functions and activities will probably have to be undertaken. Logic, good management, and the criteria noted above for appraising good emergency organization all dictate that the facilities of existing agencies be utilized to the greatest possible extent and that great caution and extreme conservatism be exercised in establishing new or additional agencies to carry forward these new tasks. Existing agencies have already established their administrative procedures and organizations. If well managed, they already have trained staffs and personnel. Their contacts with other public as well as private agencies with which they must deal

have already been made. They are prepared to draw upon their past experiences which will often prove of great help and value. They need merely to be geared to meet emergency conditions by performing new or expanded functions that are related to the emergency or by reorienting a part or all of their regular work to the same end.

If new advisory or administrative agencies are created during an emergency to assume responsibility for activities that are related to the work of existing establishments, competent personnel must be found to staff them. This is usually done by pirating personnel from the regular agencies. New procedures must be established. New contacts must be made with public and private agencies. Whole new organizations must be fitted into the emergency effort. This takes time, energy, and money that could be more effectively spent by making the best possible use of agencies that are already functioning. Furthermore, there would result the creation of agencies that would duplicate and overlap the work of existing organizations. This situation inevitably results in needless confusion and delay, and even in some jealousies. It may lead to conflicting programs and activities. It might bring the government to the end of the emergency with new agencies that would be difficult to demobilize for one reason or another.

WE COME to the conclusion, therefore, that new agencies should be established to carry forward emergency work only where this is absolutely necessary because of a discovered gap that is clearly present in the programs, work, or potential activities of existing organizations. Such cases will unquestionably be comparatively rare today as compared to the situation a quarter of a century ago—particularly in a defense emergency. During the period 1916-18, it was necessary for the federal government to create many new agencies to assume responsibilities for meeting acute problems arising from World War I. Many of them

proceeded with programs that were not as closely integrated with the national effort as they might have been, partly because they were new and partly because the President did not have adequate staff aid or an appropriate administrative device for supervising their activities. Furthermore, many of those agencies remained in existence long after the Armistice of 1918.

Today we are better prepared. During the past twenty-five years, new federal agencies have been established and the programs of others have been expanded in size and scope. Parallel developments have taken place in many state and local governments. Furthermore, federal, state, and local governments have undertaken a number of co-operative activities that have prepared and equipped them to join in a common approach to emergency problems. Federal grants-in-aid have grown greatly in recent years and furnish an outstanding method for achieving a more uniform attack on problems facing the country.

The major problem is now to coordinate the work of all public and private agencies to the best advantage of the nation. To obtain a unified program, the President himself must be directly responsible for this coordination. He must also be responsible for supervising the work of federal agencies newly established to meet the peculiar problems arising out of the emergency and for which there will probably be no continuing need after the emergency has passed. How can he best do this? Should he merely rely on the regular existing agencies to do their respective parts and attempt to coordinate their emergency activities through his own efforts, through the usual channels, and without the aid of a special office for this purpose? Should he delegate great general authority and responsibility to a single person or organization to handle all emergency problems and to make final decisions regarding them? Or should he have at hand an office the sole purpose of which is to direct its attention to emergency problems and to aid and advise him in the coordina-

tion and direction of emergency activities?

To expect the Chief Executive himself to accept direct and immediate responsibility for supervising and coordinating these emergency functions, in addition to existing organizations, without the aid of a special office for this purpose is to ask the impossible. The Chief Executive would need help. He could not spread his energies so thin. Furthermore, sole reliance upon the regular agencies would leave them free to follow their own interests or specialties without subjecting them to the influence of an over-all point of view which can usually be assured only by the Chief Executive or his staff aides.

On the other hand, to delegate great general authority over all emergency matters to a single person or agency would remove from the Chief Executive the opportunity and responsibility for the direct decisive action which he alone should exercise in emergency periods. It would also plant squarely in the administrative hierarchy an authoritative body which would be making broad decisions of extreme significance to the entire nation without feeling the restraints of accountability which the President cannot escape. It has already been pointed out that the Constitution and statutes contemplate that the Chief Executive will carry direct responsibility for leadership during emergency periods. He cannot divest himself of this responsibility.

The great fault with the two foregoing approaches is that they represent two extremes. They are not satisfactory largely because they assume that immediate responsibility for all emergency functions at all times during the emergency must be vested either in the regular agencies themselves or in a so-called "superagency" operating under the general direction of the Chief Executive. This is not a valid assumption.

THE advantages of the previously discussed arrangements can be obtained without their disadvantages if as much operating authority as possible is left with existing agen-

cies whose efforts would be coordinated by the Chief Executive with the help of an office (over which he exercises immediate and direct control and supervision) responsible for advising him about emergency problems and aiding him with his coordinating and directing duties.

The degree to which emergency functions or activities must be coordinated through the exercise of persuasion or power by the President or his representatives will vary with: (1) the function or activity itself, and (2) the status of the emergency at any given time. At the beginning of an emergency, a certain function may be of such supreme importance to the national effort that immediate responsibility for it should be brought into the Executive Office of the President where it can be properly discharged by the President himself or by a representative on his behalf. As emergency activities unfold, this function may become of relatively decreasing importance so that immediate responsibility for supervising it may be returned to the agency to which it was originally attached. In the meantime, immediate supervisory responsibility for another function, which has become increasingly significant, may be brought, for the time being, from an existing agency into the Executive Office of the President.

In any given case, the function involved may constitute all or merely a part of the activities of an existing agency. The latter situation will probably prevail in most instances. In any given case, also, the function will usually relate to activities that are being carried forward by two or more agencies. It should be emphasized that it is usually the immediate supervisory and coordinating responsibility for a function that is thus moved and not the operations of the activity involved. Actual operations will usually remain in the regular agencies.

The Chief Executive can obtain coordinated efforts in two general ways. One method is with the help of a liaison representative who has no power for making final

decisions and no authority to manage or operate any agency except his own small immediate office. His power, if it can be called that, comes from his skill in persuading representatives of public and private organizations interested in a given emergency matter to compose their different viewpoints, thus bringing about a more homogeneous attitude and program. His help to the Chief Executive is in resolving differences (without the exercise of authority) so that the President need not be troubled with consideration of problems that can be appropriately handled without reference to him. When the negotiating skill of the liaison representative has failed, or when the President requests advice and assistance, the liaison representative gathers, analyzes, and presents needed information (from an overall point of view) for the consideration of the Chief Executive in making a final decision. This procedure does not disturb the regular administrative channels. On the contrary, those channels are kept clear and the lines of communication between the Chief Executive and existing public and private organizations are kept open so that the greatest possible use can be made of their facilities.

Coordination may also be obtained by delegating authority to a person or an organization to make final decisions, within a limited prescribed area, on behalf of the Chief Executive. This involves the exercise of central decisive authority by a person or persons other than the Chief Executive. The person or persons to whom such authority is delegated should act under the President's immediate supervision. A single coordinator would not be responsible for all emergency activities, but only for one function or a closely allied group of functions. Several coordinators, each dealing with problems in his respective area, might thus be active in the Executive Office of the President. This procedure assumes the continued use of existing agencies and the need for orienting their programs around the national effort through vesting in an

individual the necessary authority to make certain final determinative decisions. This does not mean that the active operating work of the regular agencies would be transferred to the interested coordinator. On the contrary, it implies that, for the time being, immediate responsibility for making decisions regarding a specified emergency function is brought from the regular agencies involved into the Executive Office of the President where it may be discharged from an over-all point of view by an appropriate officer reporting directly to the Chief Executive. Responsibility for operations in accordance with the decisions thus reached would remain with the regular agencies.

There may be some occasions when responsibility for operating or administering an activity must be placed directly in the Executive Office of the President despite an effort to utilize the facilities of existing agencies. This would be true: (1) when the President's liaison representative, the coordinator for a particular function, and finally the President himself are unable to change the attitude or approach of one or more agencies participating in a particular function, and where the personnel of the agencies are of sufficiently high caliber and use that a shake-up is not justified; and (2) when an activity which is peculiarly related to the crisis becomes of such extreme importance to the emergency program that its operation must be brought under the President's immediate wing, and does not appear to be an activity which will be necessary after the emergency has passed. This situation may require the creation of a new function in the Executive Office of the President, or the temporary transfer of an operating activity from a regular agency. The danger is that, in some cases, this expedient may lead to the establishment of a new organization that will parallel one already in existence. This should be scrupulously avoided to prevent confusion and duplication of effort.

The third phase of a national emergency involves the recognition of the time

when a particular problem has passed its emergency period, and when it, and others related to it, can be demobilized or restored to ordinary administrative channels. This time does not arrive for all problems or functions simultaneously. As previously indicated, some activities of extreme importance at the beginning of an emergency will become less significant with the progress of events. During their period of extreme importance, immediate and direct responsibility for their supervision and coordination should be brought into the Executive Office of the President. After their importance has diminished, this responsibility may be returned to the agency where it was originally located. This return may take place at any time, even before the emergency has passed. Thus, as the responsibility for supervising and coordinating certain functions is being brought into the Executive Office of the President, others may be returned to regular administrative channels. This flexibility will greatly simplify the final demobilization of those emergency activities remaining after the crisis has passed, for it will be unnecessary to disband all emergency functions at one time or to dismantle numerous huge agencies that have grown to important independent status as a result of the crisis.

THE Office for Emergency Management furnishes a device by which the foregoing philosophy and suggestions for meeting a national emergency can be effected. Recognizing his emergency responsibilities as Chief Executive and acting under his constitutional authority, President Roosevelt included an Office for Emergency Management as the sixth of the six divisions of the Executive Office of the President, as outlined in Executive Order No. 8248, issued September 8, 1939. Section I of the executive order briefly listed five divisions by name. It referred to the sixth division in the following language: "(6) in the event of a national emergency, or threat of a national emergency, such office for emergency

management as the President shall determine."

This was the only reference to that office in the executive order. Although section II outlined the functions and duties of five divisions of the Executive Office of the President, no reference was made to the functions and duties of the Office for Emergency Management.

The executive order did not specify the precise type of emergency for which the Office for Emergency Management was established. There was nothing to indicate or imply that its work was to relate solely to a defense emergency. It was contemplated that the Office would serve in the event of any type of emergency whether it involved a war, famine, drought, flood, earthquake, epidemic, or any other national catastrophe. The fact that a detailed statement regarding the Office's precise duties and functions was not included in the executive order thus left the President completely free, by administrative order, to determine the character of the Office as conditions might change from time to time, or as new emergencies might arise.

On May 25, 1940, the President issued an administrative order outlining, for the time being, the duties and activities of the Office for Emergency Management. They related solely to liaison, advisory, and assisting functions which were naturally geared to the defense emergency that had arisen in more acute form since the issuance of the executive order of September 8, 1939. The Administrative Assistant to the President who was designated to serve as the Liaison Officer for Emergency Management was subsequently designated as Secretary of the Council of National Defense and as Secretary of its Advisory Commission. Thus the defense activities of the Council of National Defense, its Advisory Commission, and other subordinate bodies¹ established

by the Council with the approval of the President were coordinated through the person of the Administrative Assistant to the President.

It is likely that the responsibilities, duties, and use of the Office for Emergency Management will be altered by the President from time to time through the issuance of executive and administrative orders as changing conditions justify. The first step in this direction was taken by the President on January 7, 1941, when he issued an administrative order, modifying and expanding the order of May 25, 1940, relating to the Office for Emergency Management. Section 1 of the new order prescribes the following duties and functions for the Office for Emergency Management:

(a) To advise and assist the President in the discharge of extraordinary responsibilities imposed upon him by any emergency arising out of war, the threat of war, imminence of war, flood, drought, or other condition threatening the public peace or safety.

(b) To serve as a division of the Executive Office of the President, with such subdivisions as may be required, through which the President, during any emergency, may coordinate and supervise and, in appropriate cases, direct the activities of agencies, public or private, in relation thereto.

(c) To serve as a channel of communication between such agencies and the President concerning emergency activities, to keep the President currently advised of their progress, to assemble and analyze information concerning additional measures that should be taken, and to assist in the preparation of recommendations for any necessary legislation.

(d) To provide and maintain liaison during any such emergency with other divisions of the Executive Office of the President and with other agencies, public or private, for the purpose of bringing about maximum utilization and coordination of their services and facilities.

(e) To advise and assist the President upon or before termination of any such emergency with respect to any measures that may be needful to facilitate a restoration of normal administrative re-

¹These subordinate bodies are: the National Defense Research Committee; the Office for Coordination of Commercial and Cultural Relations between the American Republics; and the Coordinator of Health, Medical, Welfare, Nutrition, Recreation, and other

related activities. The Office for Coordination of National Defense Purchases and the Priorities Board were recently abolished as subordinate bodies of the Council of National Defense when their functions were placed in the newly established Office of Production Management.

lations and to ameliorate the consequences of the emergency.

(f) To perform such other duties and functions with respect to any such emergency as the President may from time to time direct.

In addition to the foregoing duties and functions, the order provides that the work and activities of the Council of National Defense, the Advisory Commission to the Council of National Defense, all subordinate bodies and agents of the Council and the Commission, the Defense Communications Board,¹ the Office of Production Management,² and such other agencies as the President may from time to time designate "shall be coordinated in and through the Office for Emergency Management under the direction and supervision of the President." The order also specifies that "provision will be made in the Office for Emergency Management for liaison facilities and for the maintenance of routine office services required in the conduct of the work and activities of the agencies coordinated through or established in the Office for Emergency Management."

The Office for Emergency Management has thus been established as an agency to advise and assist the President in meeting his emergency responsibilities. It is the place in which the Chief Executive can lo-

¹Established by Executive Order No. 8546, issued on Sept. 24, 1940.

²Established in the Office for Emergency Management by Executive Order No. 8629, issued on Jan. 7, 1941.

cate liaison, coordinating, and necessary operating activities relating to the emergency. It is a device through which he can exercise immediate supervision and control over such activities. In all likelihood additional executive and administrative orders will be issued from time to time to facilitate further the coordination and direction of emergency functions in and through the Office for Emergency Management operating under the direct supervision of the President.

The actions that have already been taken are in accordance with the general philosophy and approach for meeting a national emergency as previously discussed. Under them immediate and direct supervision over highly important emergency functions are retained in the hands of the Chief Executive. The facilities of existing organizations will be utilized to the greatest possible extent. Established administrative channels will be disturbed to a minimum degree. The special organization aiding the President during the emergency period will be sufficiently flexible to permit necessary changes in emphasis as the crisis unfolds. The President of the United States thus has at hand an administrative device that will make it possible for him to discharge his high responsibilities as Chief Executive during an emergency period as required by common sense and as contemplated by the statutes and the Constitution.

Conclusion

By LUTHER GULICK, *Director of the Institute of Public Administration*

IT is seldom possible when living in the midst of the stream of events to say "this development" or "that event" is of "permanent historical significance." This is true in the field of public administration no less than in other approaches to man's history. In 1706 the English Parliament adopted a rule prohibiting private members from introducing money bills, but it

was not until many years later that this was seen to be a foundation of the executive budget. In 1868 the fourteenth amendment of the United States Constitution was ratified, but who at that time saw the significance of the "due process" clause for public administration and our federal union? In American cities the chief executive generally became elective soon after 1812. Did

anyone at the time recognize what this would do to the then all-powerful city councils and to urban politics?

Unless I am mistaken we are confronted by a similar nearly unnoticed but none the less epoch-making event in the history of American institutions in the Reorganization Act of 1939 and Reorganization Plan No. I. The importance of this event consists not in the creation of three new agencies and the transfer of various activities to more appropriate homes. It consists rather in two facts: (1) the official recognition that there is such a thing as "administrative management" compounded of planning, organizing, staffing, directing, coordinating, reporting, and budgeting; and (2) the creation of machinery to handle administrative management in the White House, in the Executive Office of the President.

Until the creation of the President's Committee on Administrative Management in 1937, the mainspring of all governmental reorganization was the economy motive. Rationalization was put forward as a means of cutting expenses and reducing taxes. This, however, was not the central purpose of the establishment in 1939 of the Executive Office of the President. That purpose was clearly set forth by the President when he said, in his message to the Congress of January 12, 1937:

The administrative management of the Government needs overhauling. . . . I am not the first President to report to the Congress that antiquated machinery stands in the way of effective administration and of adequate control by the Congress. . . . I would not have you adopt this five-point program. . . . [expanding the White House staff, developing managerial agencies in the White House, extending the merit system upward, outward and downward, rationalizing the departments, and strengthening the independent audit] without realizing that this represents an important step in American history. . . . But in so doing, we shall know that we are going back to the Constitution, and giving to the executive branch modern tools of management and an up-to-date organization which will enable the Government to go forward efficiently. We can prove to the world that American Government is both democratic and effective.

Virtually all efforts for governmental reorganization until 1937 were aimed at strengthening supervisory agencies outside the White House, and especially at reducing the number of independent activities to a point where they might be watched and coordinated by a single chief executive, that is, to bring them within "the span of control." The 1939 reforms went beyond this objective at one highly important point: they made the effort not only to reduce the number of independent agencies, but also to expand and implement the office of the Chief Executive so that this center of power and responsibility might itself be broad enough to deal with its many inescapable contacts. The 1939 reforms thus brought the activities more nearly within the span of control *and at the same time* built up that span of control by giving the Chief Executive the "management arms" discussed in the foregoing papers.

Only those who have given thought to large-scale administration or have had experience with the central problems involved will understand what the President was talking about in the message quoted above, or will appreciate what was accomplished by the creation of the Executive Office of the President. But you will find in that action one part of America's answer to the taunt of the dictators that democracies cannot meet the demands of the modern world and still remain democratic.

THE philosophy underlying the creation of the Executive Office of the President has been clearly stated by Louis Brownlow in his introductory paper. Between the lines you can read it in each of the other papers by the Director of the Budget, the Vice Chairman of the National Resources Planning Board, the Liaison Officer for Personnel Management, the Director of the Office of Government Reports, and the Liaison Officer for Emergency Management. In all of these there is nothing important with which to disagree. Everyone will accept the underlying concepts. Surely it is perfectly

obvious that there can be no *effective* government without an energetic and well-equipped executive, and no *self-government* unless this executive is ultimately responsible to the people under a system of free criticism and free elections.

"The ingredients which constitute energy in the Executive are," as Alexander Hamilton said in *The Federalist*, "first, unity; secondly, duration; thirdly, an adequate provision for its support; fourthly, competent powers."

When a government attains sufficient size and its work becomes sufficiently complex and urgent, unity, effective power, and responsibility in the executive cannot be maintained solely by rationalizing the multitude of activities and subordinate agencies of the government, but require also the appropriate internal organization and implementation of the office of the chief executive itself.

The nature of this internal organization must grow from the nature of the duties imposed. Machinery must be commensurate with power, and power with responsibility.

The functions of the American presidency at the present time are such that every problem coming before the Chief Executive has at least three phases: the *political*, having to do with the desires and reactions of the people; the *functional*, having to do with individual governmental services and controls and the use of experts and materials to get on with the job; and the *managerial*, having to do with the formulation of major objectives, the provision of structure and manpower, and the continuous coordination of operations. It follows that the American Chief Executive must have po-

litical arms, functional arms, and management arms.

The functional arms have long been in existence as "regular departments," though they have required reorganization from time to time. The political arms have been and must remain largely extralegal. The managerial arms were first defined as a composite and integrated structure and established as a functioning addition to our constitutional system under the Reorganization Act of 1939.

Some changes in governmental procedure or machinery become important because ultimately they bring about a revolutionary shift in the Constitution. The change we are discussing, the creation of the Executive Office of the President, is important for precisely the opposite reason. These measures are designed not to alter the Constitution but to restore it, to preserve it. They make the presidency once more what the Constitution provides, what public expectation demands, and what the problems of modern government require, namely, the unified center of executive power of the government.

In the world revolution through which we are now passing, only those governments will survive which can think straight, decide quickly, sacrifice unessentials, and act with unity, dispatch, and vigor. The English-speaking countries are set to demonstrate that this can be achieved without destroying self-government. It is against this background that we must endeavor to evaluate the significance of the implementation of the American executive through the establishment in 1939 of the Executive Office of the President.

Working Relationships in Governmental Agricultural Programs

By JOHN ALBERT VIEG

Iowa Agricultural Experiment Station

HARD times and new tasks put old ways to a real test; either they prove effective in meeting changed conditions and are retained, or they prove inadequate and are altered or discarded.¹ The long practice of cooperation between the administrative staffs of national, state, and local agencies engaged in public service to agriculture was tested during the "troubled thirties" and, all things considered, it measured up fairly well. In the transition to the "fearful forties" the system still needs to be improved to insure success in dealing with impending responsibilities. It should, however, enable those whose welfare more or less depends on it to enter the new decade with confidence, for it is demonstrably stronger and tougher than ever before. The farm problem is patently far from being solved, but if sound legislative policies are adopted, the structure of administrative working relationships will be of great help in its solution.

Who and where are the officials upon whose cooperation the success of the agricultural program depends? First there are the members of the staff of the Department of Agriculture in Washington and in the field. Since the departmental reorganization undertaken by the Secretary in 1938 and the general executive reorganization ordered by the President in 1939 and 1940, they are now better equipped for their functions than ever before. Within the De-

partment they are grouped into some twenty line bureaus and ten others doing auxiliary or staff work. A number of the line bureaus have regional, district, and—very commonly—state offices in the field, and, though there is still insufficient discretion vested in these offices for creative decentralization, there is some evidence that the trend is in the right direction. Then there are, in addition to the employees of the Department of Agriculture, the personnel of the other national agencies engaged in performing services which are important for farm people.

Within Iowa those who administer farm programs at the state level fall naturally into three principal groups: (1) the field officials of the federal "action" agencies such as the Agricultural Adjustment Administration, the Farm Security Administration, and the Soil Conservation Service; (2) the staff of the Iowa State College of Agriculture at Ames; and (3) the staff of the state Department of Agriculture in Des Moines. Like other land-grant colleges, the state college operates in three main fields: resident, or intramural, teaching; extension, or extramural, teaching; and research. The work of the state Department of Agriculture is almost exclusively promotional, inspectional, and regulatory in character. As in the national, so in the state government, there are some services of great benefit to the rural population which are not administered under the label "agriculture." Perhaps the most important agency rendering such services is the state Highway Commission, but the Conservation Commission,

¹This essay is based primarily upon observation of the situation in the state of Iowa. Needless to say the views herein expressed are in no sense official. Journal Paper No. J-799 of the Iowa Agricultural Experiment Station, Ames, Iowa. Project No. 673.

the Department of Health, and the Board of Social Welfare are also significant.

Any program that really comes "down to earth" eventually reaches the local community. Here the field employees of the various agricultural agencies whose headquarters are in Washington, in Des Moines, and in Ames work in cooperation with each other and with the officials and employees of local farm organizations and local governmental units — counties, townships, school districts, drainage districts, and soil conservation districts. It is here in the final analysis that the gears either mesh or jam. Click as they may on the national and state levels, the working relationships among the members of all these administrative staffs cannot be termed adequate unless they bring the agricultural workers in the local community into substantial collaboration.

Governmental agricultural programs vary considerably in their scope and nature and the requirements for effectiveness in administration differ accordingly. The requirements depend on the program, whether primarily research, education, planning, or action.¹ Patently the staffs of several more or less independent agencies can work together effectively to provide a group of related services only when certain conditions exist. There must be a rational division of labor and a clear understanding of authority and responsibility all the way around; there must be close agreement on all questions of financial support and the purchase or procurement of supplies and equipment; and, man for man, the officials must be of substantially equal competence and caliber, and rank-and-file employees—

¹"Action programs" is a phrase that has gained considerable currency among governmental workers in recent years. It is used primarily to denote such vast New Deal programs as those of the Agricultural Adjustment Administration, the Soil Conservation Service, and the Farm Security Administration. Obviously there were programs of action before 1933 but somehow the scope, magnitude, and urgency of the schemes essayed by the Roosevelt administration—plus the fact that they were made to depend for results on means other than or in addition to education, i.e., on inducements immediately and tangibly remunerative or punitive—prompted someone to label them "action programs" and the phrase has stuck.

particularly where they work physically side by side—must be given substantially equal pay for equal work. Finally there are numerous little things which, if not handled deftly and with courtesy, may become formidable obstacles to efficient operation; among them are such items as relative excellence of office accommodations, telephone listing and connections, enjoyment of such regular staff privileges as library service, equal recognition and credit in the case of publications, and invitations to join in general consultation, professional conferences, and social life.

Research and Extension Relationships

AMONG the many farm programs at present in operation the most dynamic and comprehensive have come "out of Washington," and all of them depend for success upon the cooperation of farm groups and governmental agencies within the various states. Among these latter agencies there is none to which the national authorities turn for help more often than to the state college of agriculture, regardless of whether the program be one of education, research, planning, or even "action." It might and probably would be otherwise—at least with respect to "action"—if the states had had the foresight years ago to set up adequate "action" agencies of their own. Like most states, Iowa has been content to use her Department of Agriculture only for promotional and regulatory purposes. Consequently the land-grant college has a crucial role to play in whatever collaborative relationships are involved.

How have the administrative officials of such an institution met the situation? Three points should be made clear at the outset. First, there are over-all covenants and agreements between the land-grant colleges and the U. S. Department of Agriculture which date back to the original land and money grants and which contain definite stipulations as to the division of labor between them. These have proved invaluable in meeting new conditions and have

been supplemented by new agreements and declarations. Second, the annual meetings of the Association of Land-Grant Colleges and Universities have furnished an increasingly useful forum for the clarification of the respective positions of the colleges and the Department under changing circumstances. Third, some of the colleges, having on their own initiative determined not just to "let come what will" and "muddle through" but to think out afresh what ought to be their working relationships with every agency serving agriculture, have already decided that from now on emphasis must be placed less and less on preserving the formal rights attaching to them as state institutions and more and more on how best to cooperate while yet safeguarding their functional integrity.¹

Ever since 1887, when Congress first voted funds for agricultural experiment stations—though the date could be put even earlier for many of the states—research has been one of the leading branches of work at every land-grant institution, as well as an extremely important part of the program of the Department itself. In order to make the most of whatever resources they have at their disposal they collaborate in such ways as these: (1) The experiment station is declared to be the prime agency for the conduct of agricultural research within the state. The Department of Agriculture agrees to project no research within the state without first inviting the cooperation of the station. (2) All research is conducted on the basis of formal projects, and an explicit memorandum of understanding is negotiated and signed stipulating the objectives of the cooperation and the financial and other obligations of the Department and the experiment station, both separate and mutual. (3) A research worker acceptable

to both parties is often jointly employed.

(4) Where the Department sends one of its staff members to work at the station, or vice versa, he is listed as a "Resident Collaborator" and given the full privileges of membership on the local staff. (5) Recognition is made of the fact of collaboration in all publications.

By and large this set of relationships proves workable and effective for cooperative projects whether carried on at station farms and laboratories or pursued at places remote from station headquarters, in or near field stations of agencies such as the federal Soil Conservation Service and the Iowa State Conservation Commission. Two improvements, however, could well be made, and doubtless will be. There are many problems on which several neighboring agricultural experiment stations could profitably make a joint attack but are not doing so because the station directors have not developed their regional conference to anything like its full potentialities. The second improvement is related to the first. Funds should be made available to the Office of Experiment Stations in the U. S. Department of Agriculture to enable it to maintain at all times an up-to-date and accurate file of all agricultural research being conducted throughout the country.

To find out what problems farmers most need to have studied and to be sure of effective dissemination of the results of research, it is of crucial importance in every state that the experiment station have close and harmonious relations with the state extension service. Inasmuch as both are often under the same overhead administrator, the dean of agriculture, and in any event under the president of the land-grant college with which they are identified, this requirement could hardly ever be wholly unsatisfied. However, as between a coordination of effort evoked from above, and one that grows out of a common disposition to cooperate, the latter is infinitely to be preferred, and is generally the relationship existing between the staffs of these key agencies.

¹ Within the past two years two new statements of policy have been drafted by a committee of the faculty of Iowa State College (George W. Godfrey, chairman). The first, entitled "The Role of the Land-Grant College in Governmental Agricultural Programs" (pp. 14), was published in June, 1938. The second, called "Education for Action Programs in Agriculture" (also pp. 14), was published in December, 1939.

Resident or intramural education faces no special difficulties, but extramural education—i.e., the extension service—is always in danger because it operates in the zone that lies between research and formal education on the one hand and “action” on the other. It is the business of the agricultural extension personnel to make available to farm people whatever is known about the solution of their problems. Much of the information these “extenders” disseminate is drawn from formal study and research and from special training regarding the various farm programs. Inevitably, however, a great deal of such information has been developed out of their own practical experience. Extension education stands or falls by its practicality. When asked by some farmer or group of farmers for assistance on a particular problem (and this is the way the service works), a county agent finds the best answer he can—out of his memory, books and records, consultation or correspondence with specialists at headquarters, or from other farmers, locally and elsewhere. The whole idea is to help farmers and homemakers act intelligently in managing their affairs, showing them the inherent nature of their difficulties and the way to make the most of whatever assistance can be secured from their government.¹

Because they are competent to begin with and well versed both in the needs and thoughts of farm people and in the aims and proposals of the government, the men and women in extension service are continually bombarded with requests for help, not all of which are entirely appropriate. On the one hand those responsible for the execution of great national programs often want more than purely educational assistance, and on the other the farmers themselves are not averse to asking for help that goes beyond mere information. There is perhaps no more critical question in the

¹Like the experiment stations, the various extension services in a region could do themselves a great service by exchanging their publications. They do this to some extent now but the possibilities have never been systematically explored.

whole range of relationships in agriculture than whether or not extension workers will actually be able to remain educators in the full sense of the word. In some states there appears to be a disposition to use this well-trained staff in whichever way, educational or otherwise, will best insure immediate success for the new programs—as though the county agent were primarily a local representative of the U. S. Department of Agriculture. In others, however, and very definitely in Iowa, the prevailing belief is that extension personnel are not obliged to do more than give practical instruction; even further, barring crises, they must resolutely abstain from doing more lest they neglect their work as teachers and compromise their integrity as objective and impartial educators.

Now that the novelty and excitement surrounding the newer agencies such as the Agricultural Adjustment Administration, Soil Conservation Service, and Farm Security Administration are wearing down, it begins to appear that their real job—especially in the case of the latter two—will be educational. In a delightful incident that occurred in June, 1940, the director of Iowa Agricultural Extension Service asked a young farmer who had attended a series of group meetings conducted by Soil Conservation Service what it was like and got this reply: “It was just like going to school again except that you were learning something you wanted to know about.” According to the terms of the basic covenant made in 1914 between the U. S. Department of Agriculture and the land-grant colleges, when the first grant of federal funds in aid of extension work was made, it was agreed that the Department would do all its educational work in the state through extension service. Up to the present the Department has followed this provision rather faithfully, but it is by no means certain that the clause will not soon be as often neglected as observed.

The extension service pleads that it does not have the funds necessary to discharge adequately the additional responsibilities.

Directors of extension argue that such increments as have been made to their financial resources in the past eight years do not begin to support the staff that would be needed if the service were to do the educational work that is such a large part of the agricultural services, especially of the Soil Conservation Service and the Farm Security Administration. As for the Secretary of Agriculture and his aides, they have shown something less than a complete willingness to entrust full responsibility for such education to the extension service. The explanation seems to be twofold—a feeling that a new and separate personnel would insure greater vigor in administration, and a fear that, through long and more or less exclusive association with the farmers of higher incomes (who naturally comprise the bulk of Farm Bureau membership), the “extenders” have almost developed a “trained incapacity” for working effectively with those farmers of lower incomes who are most in need of the kind of help offered by the newer agencies.¹

The long and short of it is that unless the official extension staff is enlarged and given a new orientation so as to enable it to cope with the situation, two or three new and independent “extenders” will appear in many counties throughout the country—doubtless to the detriment of such relative quiet as now prevails along the educational front.

Most Iowans who are concerned with agricultural education believe that, wholly apart from the question of the adequacy of its resources, an extension service would undermine its usefulness as an educational agency by accepting any administrative responsibilities in connection with an “action” program. This may be due partly to their traditional Republicanism and to the fact that the great “action” programs emanated from a robustly Democratic administration. How could the farm popula-

tion have any faith in the staff of an agricultural college, they argue, if that staff should ever permit its enthusiasm for a program to lead the public to expect results which did not materialize? It cannot be said that they are unrealistic. They recognize that the success of a program of direct action, such as that of the A.A.A., cannot be insured merely through the presentation of educational or factual material, however excellently done. Supplementing this there must also be a kindling of fervor and enthusiasm. The former function they are willing and anxious for the extension service to discharge, but the latter requires so much inspiration and zeal that they believe it should be left to the sponsors of the program concerned. Here, be it noted, is a potential sore spot in working relationships between the extension service and the administrators of a national farm program, for there is not and never can be a clear line of distinction between informational and inspirational material.²

Cooperation in Planning

WHEN Secretary Wallace reorganized the Department of Agriculture in 1938, the Bureau of Agricultural Economics was set up as the chief agency for the conduct of its planning activities. It fell to the bureau, therefore, to carry out for the Department the terms of an agreement for agricultural land-use planning which had recently been concluded between the Department and the Association of Land-Grant Colleges. According to their agreement the college of agriculture through its extension service was to set up in each rural county of the state an “agricultural land-use planning committee” composed of one official from each “action” agency operating within the county, the county agent, and a number of farm leaders in the locality. Farmer members not serving as officials of any action

¹In Iowa the Farm Bureau is the name of the local farm improvement association with which the extension service officially cooperates.

²The president of the Iowa State College felt it desirable in May, 1938, to circulate a formal “Statement of Policy Concerning the Operation of the Publicity Services of the Iowa State College in Relation to Action Programs for Agriculture” bearing upon this problem.

agency were to be sufficiently numerous to command a "substantial majority" and the chairman was also to be one of their number. These county committees—and their counterparts in the communities below and in the states above them—were asked to "take responsibility for the development of sound land-use plans, programs and policies for the dual purpose of (a) correlating current action programs to achieve stability of farm income and farm resources, and (b) helping determine and guide the longer-time public efforts toward these ends." The Bureau of Agricultural Economics has stationed an official representative in each state to promote the work of the committees, and he cooperates closely with the extension service and experiment station in everything he does.

Like most city planning agencies, these agricultural planning committees are purely advisory. At the very least, however, they succeed in bringing together under good auspices certain key persons who cannot fail to profit through an exchange of ideas. With farmers, officials, and experts (i.e., technically trained men from the land-grant college) pooling their wits on common problems the outcome is bound to be salutary, especially when the experts are where they ought to be—"on tap and not on top." Without engaging in action, researchers and "extenders" do what by no means all of them have learned to do before, think like men of action; without being "sicklied over with the pale cast of thought," administrators are stimulated to do that other equally rare thing, act like men of thought; and, without quitting their fields, farmers gain an opportunity as citizens to participate in democratic planning and to make a genuine contribution to the general welfare.

The fact that the program is not altogether new is another reason for expecting it to pay dividends. Every land-grant college has had years of experience in helping farm people to analyze their problems and to formulate policies through which governmental agencies might contribute to their

solution. What these new relationships represent is an effort to systematize activities which have hitherto been carried on without formal organization.

Whether the agricultural planning program will actually reach the goals set for it will depend, insofar as the state and local levels are concerned, more on the measure of discretion vested in the state and local officials of the "action" agencies than on any other factor. The spirit in which the program was launched was altogether satisfactory. The Department recognized that "if this system of coordinated land-use planning is to endure, farmers must see tangible results from their work," and that such results would be forthcoming only if administrators were resolved to follow the suggestions of the planning committees wherever it would be possible to do so.¹ It is an open question, however, whether the administration of the Department is now decentralized sufficiently to permit its field officials in the states and localities the discretion they need to be able to do what the planning committees recommend.

Programs of Action

THE classification of agricultural programs into the four categories of research, education, planning, and action is, like many other classifications, a matter of intellectual convenience. Researchers must be able to collaborate among themselves on their special tasks and to cooperate on some aspects of their work with those engaged in the other functions. So it is with the "extenders," planners, and doers. For present purposes these last may be taken to include all personnel not embraced within any of the other classifications. How do the doers get along with themselves and the others?

There are five major (and several minor) national action agencies operating in Iowa: Agricultural Adjustment Administration,

¹See the "Joint Statement By the Association of Land-Grant Colleges and Universities and the United States Department of Agriculture on Building Agricultural Land Use Programs" issued July 8, 1938. 3 pp. mimeographed.

Farm Security Administration, Soil Conservation Service, Farm Credit Administration, and Rural Electrification Administration. Headquarters for A.A.A. are in Des Moines, for F.S.A. and S.C.S. in Ames, for F.C.A. in Omaha, and for R.E.A. in Washington. Each agency has a fairly specific task to perform and its staff ordinarily manages to handle that task "on its own." Accordingly they get along well enough, but (and this is said with no thought of disparagement) quite as much through working apart as through working together. As has already been said, the state and local agricultural planning committees are not convinced that the efforts of the action agencies are as well correlated as they might be, notably on the local level. Given time, it may be possible to achieve correlation through the good offices of the planners but the chances are against its accomplishment so easily and informally. What is more likely is that it will prove necessary to adopt some positive expedient, ranging all the way from the creation of coordinating conferences or committees of the administrators themselves to the designation of an agricultural administrator within each county. It is an open question in some parts of the country today whether the county agent, having proven immensely helpful in preparing the ground for the various action programs, should not be allowed, or perhaps even encouraged, to develop into primarily an executive agent charged with correlating these programs, or whether he should be required or at least instructed to confine himself once again entirely to teaching.¹ The need for better coordination is great, yet it seems to most observers in the North Central area that the most extensive and best organized system of adult education in the world should not be sacrificed to meet that need.

Being engaged almost exclusively in promotional, inspectional, and regulatory activities, the Iowa Department of Agriculture has a rather clearly defined field of work. Contacts with the personnel of the various

bureaus of the national Department are relatively few and they occasion no serious difficulties. And the same can be said generally for the relationship between the state department and the agricultural college. The Iowa code provides that the two "shall cooperate in all ways that may be beneficial to the agricultural interests of the State, but without duplicating the research and educational work" of the latter institution. Despite measurable differences in training, compensation, and security of tenure, the two staffs work together harmoniously.

Members of the staff of the college sit on the boards of all the promotional associations sponsored by the state department (e. g., beef producers, horse breeders, grain growers) but never in other than a consultative capacity. The head of the Department of Entomology at the college is ex officio state entomologist and as such has certain regulatory functions to perform, but inasmuch as he has for these purposes an office and a staff in Des Moines, his two capacities are kept quite separate and the dual role has presented no special problems. The extension apiarist at the college is ex officio state apiarist without being included on the staff of the state department. Because he occasionally has to do some regulatory work, this relationship is not altogether satisfactory. The heads of the Departments of Botany and Forestry at the college are also ex officio state botanist and state forester but these connections cause them no trouble since they have no regulatory functions to perform.

General Observations

PUBLIC administration is on a higher plane today in the case of governmental agricultural programs than it has ever been before. The working relationships of the administrative personnel are effective because they are based, by and large, on an intelligent and careful division of labor which is both understood and accepted; and because the great majority of the men and women on the staffs of the various agencies

¹See in this connection Gladys Baker's incisive volume entitled *The County Agent* (1939), p. 110.

are competent and schooled in everyday cooperation. The current emphasis on planning augurs well for further improvement.

Nevertheless there are several potential weaknesses. For its part the U. S. Department of Agriculture must consent to increased decentralization so that if the county and state agricultural planning committees offer sound proposals calling for regional, or perhaps even more limited, application, the officials of the line bureaus and services will be free to introduce changes in their programs to effectuate the recommendations, even if this involves considerable adjustment in the payment of monetary benefits. The Department must also re-examine its attitude toward the county agent lest, in emphasizing his responsibilities as its local representative, it either force him to quit his office as an educator or load him down with so heavy a burden that he cannot do justice either to his duties as a teacher or as an administrator.

Any state which has failed to develop its own department of agriculture to full capacity should make every effort to do so. What is needed mainly is appointment by merit and security of tenure. This will make it possible for the states to have more valu-

able "action" programs of their own and to cooperate more effectively in those undertaken by the national government. Thus strengthened, the state department of agriculture might also be given a greater voice in agricultural planning. For planning should proceed not only in the light of research and education and the administrative capacities of the field service of the U. S. Department of Agriculture, but likewise in terms of the capacities of the state's own administrative departments for serving its farm population.

The land-grant college must ever be on the alert not to define its functions so narrowly that it fails to give the largest possible measure of research and educational assistance and, on the other hand, not to define them so broadly that it goes definitely over into the realm of "action."

As for the county agents, in spite of their diligence and devotion, they are in danger of bogging down in a slough of confusion. To extricate them will require not only certain modifications of thought and practice on the part of the U. S. Department of Agriculture and the land-grant colleges but also some resolution on the part of the individual agents.

Areas for Industrial Mobilization, 1917-1938

By JAMES W. FESLER

University of North Carolina

THE successful prosecution of a major war depends upon the effective mobilization of industry to supply the extraordinary needs of the military forces.¹ Even during the two decades between the Armistice and Munich, the government was not willing to leave the program of wartime supply to hasty improvisation after a war should be declared. The War Department developed an administrative structure for handling the military supply function, and prepared elaborate plans for all phases of wartime supply, anticipating that this structure and these plans would be subordinate to a number of emergency "superior agencies," of which the proposed War Resources Administration would be the most important.

These "superior agencies" have not been established during the current emergency, but the President has set up instead the National Defense Advisory Commission and its related organizations. The activity of the War Department is now proceeding within the framework of the general lines laid down by the Advisory Commission.

No matter what measures are being taken, or will be taken in the future, to fit the War Department plans for industrial mobilization into the national defense program, the story of the development of those plans from the American entry into the World War in 1917 until 1938 throws interesting light on the general problems of administrative regionalization. To tell that story, with par-

ticular attention to those problems, is the purpose of this paper.

From 1920 on, in the War Department the General Staff and the Assistant Secretary of War shared the task of supervising supply activities. The General Staff's supervision of supply was confined to military matters, such as determination of what articles were to be supplied and distribution of the supplies to individuals and units of the Army. The Assistant Secretary's supervision related primarily to business and industrial matters, such as determination of what factories should produce the supplies and the facilitation of such production. The direct responsibility for proper performance of the supply function rested on seven "supply arms and services" (also known as "supply branches"): the Quartermaster Corps, the Ordnance Department, the Medical Department, the Signal Corps, the Corps of Engineers, the Air Service, and the Chemical Warfare Service.¹ Each of these supply arms and services specializes on some particular group of articles. The Ordnance Department, for example, supplies guns, ammunition, and related articles. The Quartermaster Corps supplies food, clothing, blankets, cooking equipment, and a large variety of articles that can only be described as "general equipment."

¹The first five supply branches named in the text were in existence when the World War began. The Air Service and Chemical Warfare Service were created during the War. The National Defense Act of 1920 continued all seven branches.

In view of current techniques of warfare it is of interest that the national defense bill as introduced had sought to establish as separate supply branches a Transportation Corps, a Motor Transport Corps, and a Tank Corps.

¹The research upon which this article is based was made possible by a research fellowship of the Brookings Institution. The original sources of information were official publications, documents, and memoranda.

The phase of military supply that particularly concerns industry is procurement as distinguished from storage and distribution. According to the Industrial Mobilization Plan for wartime procurement the Assistant Secretary of War was to allocate specific factories ("facilities" in War Department parlance) to particular supply branches in peacetime, thus eliminating interagency competition and friction in War Department contacts with individual industrial concerns. Each supply branch was to prepare an "accepted schedule of production" for each facility within its allocation. In the aggregate these "accepted schedules of production," kept up-to-date by triennial revision so that in the event of war they could rapidly be converted into contracts for wartime production, constituted the nation's plans for procurement of military supplies.

The field services of the supply arms and services play important roles in the work of procurement and procurement planning. In time of peace the field agents of the supply branches conduct industrial surveys of their assigned areas, prepare requests for the allocation of specific facilities, make detailed surveys of the allocated facilities, and arrange for the owners of facilities to sign accepted schedules of production. In time of war these field agents would supervise the execution of the procurement plans, stimulate facilities to maintain their official schedules of production, assist the facilities in obtaining power, transportation, labor, and raw materials, and oversee the shipment of the goods produced.

Administrative organization of the field services, therefore, had to take two factors into account during the years after the World War of 1914-1918: one, the optimum type of organization for peacetime procurement planning; the other, the optimum type of organization for actual wartime procurement. If these optima are not the same, a third problem may arise—that of easy conversion of the peacetime planning organization into a wartime operating organization. As a matter of fact, the peacetime procure-

ment *planning* districts used since the World War (particularly up to 1933) tenaciously retained most of the district boundaries and headquarters used during that War for *actual procurement*. Consequently, our story of the organization into areas of the field services must start with the areas used between 1917 and 1923 by the Ordnance Department, the Quartermaster Corps, and the War Industries Board.

Ordnance Department

EARLY in the World War the Ordnance Department, conscious of the necessity for a uniform policy in ordnance procurement, attempted to administer its functions directly from its Washington office. This effort to handle centrally a problem whose components by the end of the War included 33,000 contracts and some 115,000 sub-contracts covering 100,000 different articles produced by 4,000 manufacturers soon threatened to undermine the operating efficiency of the Department. The remedy was suggested by Colonel (later Brigadier General) Guy E. Tripp, chief of the Production Division, who proposed the establishment of district organizations in charge of chiefs reporting to Washington.¹ The Federal Reserve Board's system of twelve regions was regarded as a precedent. General Tripp, who in peacetime served as chairman of the board of directors of the Westinghouse Electric and Manufacturing Company, was also acquainted with the "field services" of large American corporations. The plans for the new districts were well under way in January, 1918, and in March eleven district offices were formally established. The districts, originally adopted only for the Production Division of the Ordnance Department, were soon adopted by the Fi-

¹This proposal apparently was regarded as quite novel. "In its policy of decentralization for purposes of munition making, expressed in the establishment of 13 ordnance districts, covering all of this country and Canada, the Ordnance Department set up an institution without precedent in American experience and without close parallel elsewhere." "Report of the Chief of Ordnance," in War Department, *Annual Reports*, 1919, vol. I, p. 3892.

nance, Inspection, and Property Divisions, and, somewhat later, by the District Engineering Division and the Procurement Division.

The ordnance districts differed in size, burden, and nature of work. A glance at the map¹ (Figure 1) will reveal marked differences in area; for example, the St. Louis district was 220 times as large as the Bridgeport district. The difficulties of covering the St. Louis district with ease and speed were intensified by the location of the headquarters almost on the eastern boundary of the district. While this location brought the headquarters within as close contact with Washington as was possible—not a negligible consideration in the War days—it also meant that a St. Louis officer had round trips of five days to Denver and of ten days to the Pacific Coast. In contrast, the Pittsburgh ordnance officer could reach most of his plants by automobile in half an hour or less.

The selection of headquarters cities was essentially an intradistrict problem. Nevertheless, the selections were in future years to acquire an aura of wisdom untrue to the casual circumstances that actually determined them. For instance, it is related in the official history of the Bridgeport district that, with two other district officers, "Mr. Bryant, chief of the district's Production Division, went over all locations available in New Haven, and none being adequate, decided to establish the district office at Bridgeport." The choice of Rochester as the headquarters of northern New York was probably equally accidental. The Inspection Division had an office at the Bausch and Lomb Optical Company in Rochester. It was followed there in

October, 1917, by the Finance Division, which wished to occupy the same quarters despite the fact that its principal concern was Carriage Division contracts. When the

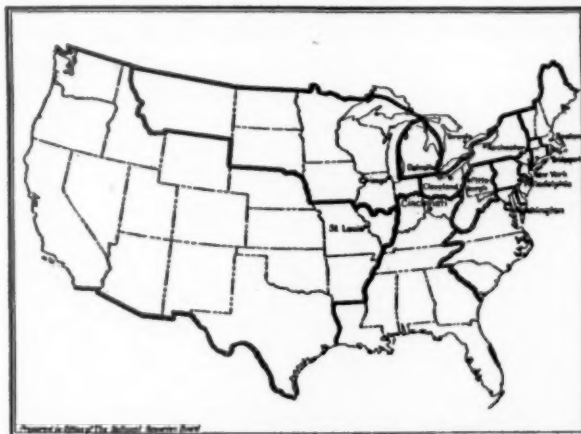


FIG. 1.—WAR DEPARTMENT ORDNANCE DEPARTMENT DISTRICTS, 1918

production section of the Carriage Division entered northern New York, its agents found it convenient to be near the Finance Division's representatives in Rochester.² When the complete district organization emerged, therefore, it was but natural that its headquarters should be in the city already chosen by several Ordnance Department units acting individually.

At this time the office of district chief was conceived as one of power: he was to be "a boss who was a free lance, who could do and think as he pleased."³ He was selected with care, and was in every case a civilian. He was placed intermediately between military officers at Washington, from whom he took orders, and military officers within his district, to whom he gave orders. The district chief was in every case a resident of his district. His function was one that required the fullest cooperation of local industry, chambers of commerce, and labor organiza-

¹The Toronto district, not indicated on the map, embraced eastern Canada, and specialized in production of the 75-millimeter shell. It should further be noted that the map shows the district scheme at its peak number of districts; hence, the St. Louis district is shown, although in the early period its area was included in the Chicago district.

²The history given is based on *The Ordnance Districts: 1918-1919: Rochester*, p. 23. The speculation as to whether this history was basic to the ultimate choice of the district headquarters is the writer's.

³Brigadier General Guy E. Tripp, as quoted in *The Ordnance Districts: 1918-1919*, p. 6.

tions. It required also an intimate knowledge of industrial capacities, business reputations, and acute local issues of industrial relations. The fact that the district chief was a local civilian of recognized caliber was conducive to the smooth execution of his functions.

With the conclusion of the War the func-



FIG. 2.—WAR DEPARTMENT QUARTERMASTER CORPS
GENERAL PROCUREMENT ZONES, 1918

tions of the ordnance districts shifted from the procurement of war supplies to the settlement of claims on suspended contracts and the salvaging of surplus material that became the property of the government under these settlements. Intradistrict organization changed accordingly, and finally in 1920, by reason of the decrease of field work, a process of liquidation of the districts was begun. Two years later, however, this policy was reversed because of the need to plan for a future war, and thirteen ordnance districts were established "for the purpose of decentralizing procurement and production of ordnance material in the event of a major emergency." Boundaries were almost identical with those of the World War period, the principal change being the creation of a San Francisco district. In determining these boundaries the Ordnance Department considered and rejected the proposal, which one still meets frequently, that procurement planning districts should

correspond to corps areas. The Department argued that the corps areas, being tactical divisions of the country, had no relation to the procurement problem, the elements of which were the location of existing industries, raw materials, transportation facilities, and power.

Under the new plan of district organization, decentralization was to be carried even further than in the World War. Washington was to lay down broad policies and exercise general supervision, but the details of procurement, production, inspection, and finance, and even the actual placing of contracts were to be handled by the district offices. Chiefs of the ordnance districts were to be selected from among the "large-caliber progressive business executives" resident in their respective districts, but to each was to be assigned a regular Army officer as executive assistant. The chiefs were to consult frequently with local manufacturers and businessmen—either through formally constituted advisory councils, as in the districts of which New York and St. Louis were the headquarters cities, or through more informal devices that would permit rapid and decisive action and concentration of responsibility.

Quartermaster Department

IN CONTRAST to the Ordnance Department, which entered the War with a highly centralized organization, the Quartermaster Department in the early period of the War operated under a highly decentralized system that permitted the field depots to purchase and distribute supplies with very little coordination from Washington. As a reaction against that system, a high degree of centralization was effected. In July, 1918, a synthesis of the two was reached in the system of general procurement zones, subsistence procurement zones, and distribution zones.

Decentralization under the procurement zone plan was relatively great, so great, in fact, that there occurred an undesirable diversity among the zones in their interpretations of contract requirements and specifications and in their determinations of "emergency purchases," which could be made without Washington's prior approval. National meetings of zone officers and preparation of manuals containing technical as well as general instructions were resorted to in an effort to establish some uniformity.

Boundaries of the zones under the several schemes differed but slightly¹; headquarters, where areas permitted, were identical; and the same person, the depot quartermaster, was in charge of all three activities—general procurement, subsistence procurement, and distribution. Selection of zone boundaries was largely a duty of the Washington headquarters; however, where zone boundaries divided a state, the central office merely described the boundaries in general terms, leaving the exact division of jurisdiction to be determined by agreement of the heads of the zones concerned. The existing storage facilities at the several general supply depots were the principal consideration in the selection of distribution zone boundaries. The scheme, therefore, was not the best as far as transportation conditions and rates were concerned. The selection of headquarters was a simple matter, since the existing general supply depots were the logical choices.

For the period immediately after the War the procurement and distribution zones were retained even though the work of the Quartermaster Department had shifted from active procurement to the liquidation of large-scale procurement activities, the ad-

¹The accompanying map (Figure 2) shows only the general procurement zones, since there was such great similarity among the schemes, and since procurement is the topic with which this paper is concerned. The Quartermaster Department also established separate zone schemes for the procurement of horses and mules ("remounts"), procurement of vehicles and vehicle parts, distribution of motor vehicle repair parts, and procurement of raw wool and cotton. See *Report of the Quartermaster General, 1919*, pp. 21ff.

justment of existing contracts, and the performance of peacetime distribution functions. In 1920, however, the quartermaster distribution zones were ordered brought into conformity with the six territorial departments of the Army, and later with the nine corps areas. This step was taken because distribution is a supply service generally performed in connection with the command function under the departmental (or corps area) commanders representing the General Staff in the field. Hence it was desirable that the areas of distribution be identical with the regions of the command departments. Procurement and procurement planning fell by the wayside in the Quartermaster Department's eagerness to distribute its large stock of supplies. As late as December, 1922, planning offices had not yet been designated for the nine areas.

War Industries Board

THE War Industries Board, an independent agency created during the War to supervise the work of industrial mobilization, was in a more difficult position than either the Ordnance Department or the Quartermaster Corps. It was a new agency without experience in either central or field administration. The first attempt of the Board at regionalization of field administration came with the establishment of its resources and conversion section in May, 1918. Charles A. Otis, the section chief, and George N. Peek, commissioner of finished products, undertook to establish nineteen (later twenty-one) "industrial regions" (as outlined on Figure 3) to ease the great burden on the Washington office and promote the diffusion of war industry. Both the Ordnance Department's experience with regionalization and Mr. Otis' previous experience while president of the Cleveland Chamber of Commerce in coordinating the industrial aspect of munitions production in that area seemed to point the way.

The boundaries of the War Industries Board regions derived directly from the Ordnance Department's districts. The eco-

conomic interrelations of areas were also basic considerations in the establishment of regional boundaries.

The determination of subregions and the selection of regional advisers and heads of

Department for rather specialized reasons, were chosen by the War Industries Board.

The original function of the industrial regions, as of the administrative section of which they were a part, was that of gathering information. When each region undertook an industrial inventory of its area, however, it found that each of the munitions procurement agencies in the region was attempting to obtain similar information directly from industrial concerns. The resultant worrying of manufacturers with numerous questionnaires and plant inspections made evident the need for some kind of coordination within each region. Since the War Industries Board at Washington had tried to coordinate the supply agencies on a national scale, it was appropriate that the regional ad-



FIG. 3.—WAR INDUSTRIES BOARD REGIONS, 1918

subregions were largely controlled by the president of the chamber of commerce of the largest city in the region. He determined what subregions should be established, and his recommendations guided the War Industries Board in the choice of subregional chiefs. These subregional chiefs met together and recommended to the War Industries Board the name of some local man for the post of regional adviser. As a result of this process the superior personnel of regions and subregions was in every case representative of business, presidents of local chambers of commerce often holding the key positions. It was assumed that such officials would be more effective than Army officers or civil servants in the main task of the regional advisers, which involved the promotion of co-operation between industry and government.

Although it was the original intention that each headquarters should be the principal industrial center of its region, the headquarters actually chosen tended to follow the earlier choices of the Ordnance Department. Even Bridgeport and Rochester, which had been selected by the Ordnance

visers of its resources and conversion section should take the initiative in establishing intraregional coordination.

The informal coordination inaugurated by the advisers, aided particularly by the ordnance district chiefs, proved so promising that in September, 1918, Mr. Otis recommended the formalizing of this procedure through the establishment in each region of an organization representing all the supply agencies active in the area. He thought that "by drawing together departmental organizations in Washington and connecting them by the same process in the regions, we can accomplish a result that can never be obtained by the process of every organization for itself both here and in the various regions of the country." In accordance with this view, on November 1, 1918, Mr. Otis ordered each regional adviser to organize a war board composed of representatives of the Navy, Army, Emergency Fleet Corporation, Railroad Administration, United States Fuel Administrator, United States Food Administrator, United States Employment Service, Federal Reserve Bank, chairman of the War Resources Committee, and

state councils of national defense. The regional adviser was directed to act as a clearing house for regional information on requirements of purchasing bureaus, contracts placed by the bureaus, and competence of manufacturers to produce the supplies required.

The War Industries Board regions were dismantled in December, 1918. As we have seen, the Ordnance Department and Quartermaster Corps still had regional schemes in operation at the end of 1922. The Chemical Warfare Service and Signal Corps were well along with their plans for establishing field areas for procurement planning. Planning districts for the Air Service, Medical Corps, and Corps of Engineers were still in the proposal stage at the end of 1922.

Industrial Districts of 1923

IN VIEW of the incipient state of procurement planning and regionalization for that purpose, 1923 was a strategic time for the Assistant Secretary of War to take prompt action for uniformity in field organization for the planning function. Accordingly on July 31, 1923, the planning branch of the Office of the Assistant Secretary of War informed the supply branches that the United States had been divided into fourteen "industrial districts . . . for purposes of procurement planning in time of peace and definite consideration of the questions pertaining to power, labor, and transportation." The supply branches were asked to revise their own district boundaries so that each of their procurement districts would consist of one or several of the industrial districts (see Figure 4). In no case were the branch district boundaries to divide a War Department industrial district.

The inspiration for the boundaries chosen is revealed by a proposal in June, 1923, that the planning branch should adopt the old

War Industries Board regions as modified to conform to the 1923 ordnance districts, and by a separate proposal that districts be selected with a view to the convenience of the supply branches, particularly the Ordnance Department and the Quartermaster Corps. The arrangement of boundaries agreed upon represented a compromise between the demands of these two supply agencies, the other branches receiving less consideration both because their work was relatively less important and because their field establishments were at the time in such an embryonic stage. The new districts were identical with the ordnance districts except for the addition of a new southern district.

Headquarters were in most cases placed in the same cities chosen by the Ordnance Department. The changes that were made resulted either from the realignment of boundaries or from the necessity of correcting the occasionally fortuitous choice of ordnance headquarters made during the War and repeated in 1922.

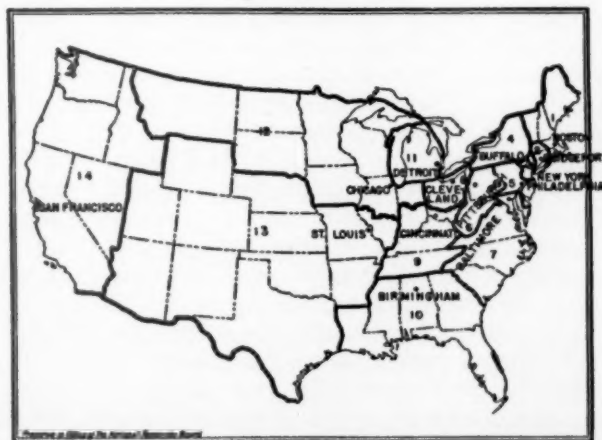


FIG. 4.—WAR DEPARTMENT PROCUREMENT DISTRICTS, 1923

By September 15, 1923, each of the supply branches had established a regional scheme according to the jigsaw-puzzle principle of duplicating or combining the fourteen new War Department procurement districts, as the "industrial districts" came to be called. Each of these branch schemes has points of

interest that deserve comment, but for present purposes attention can be devoted only to a general summary of their characteristics. Most of the supply branches had between three and six districts. The Quartermaster Corps and the Ordnance Department had nine and fourteen districts respectively. This choice of districts points to the conclusion that a multiplicity of regions is necessary for the agencies with the greatest field work.

Nineteen different cities were chosen as headquarters by the combined schemes. Chicago, New York, and San Francisco were chosen by all seven supply branches, but no other single city had more than three supply branch offices. The unanimity as to the three cities, it will be shown later, was to influence the thorough revision of the district scheme in 1933.

In peacetime the Assistant Secretary had no district representative, but upon the outbreak of war the plan called for such a field officer in each district. The relations that would exist in wartime between the district representative of the Assistant Secretary of War and the district agents of the supply branches were never clearly defined. One view would have given the district representative of the Assistant Secretary all powers possessed by his principal. That is, he would supervise and coordinate the procurement activities of the district procurement agents of the several branches. The other and more popular view of the duties of the Assistant Secretary's representative was that he should act as an adviser to all the district supply branch agents, but should not interfere with them in any way except as requested by those agents, or possibly when specifically requested by Washington to intervene in local disputes between branches. The failure to give the functions of the Assistant Secretary's district representative a more precise definition undoubtedly was caused by the insistence of the supply branches that their authority should not be diminished by the Assistant Secretary, and was excused on the ground that the duties of the district representative

would quickly become defined in the process of wartime procurement as circumstances showed the need or lack of need for a local supervisor of procurement.

This district scheme had several defects, some of which were to be pointed out within the decade by War Department officials. Above all, the districts were too many in number and too small in size. It would have been difficult for the Assistant Secretary to supervise as many as fourteen district chiefs in the administrative chaos of wartime. In peacetime it would be impossible without tremendous overhead costs for most supply branches to set up a large, specialized planning staff in each district.

The rigidity of the requirement that the master districts be grouped caused great inconvenience to the supply branches in their task of establishing administrative areas for their specialized procurement planning activities. If the Quartermaster General, for instance, wanted northeastern Indiana under the jurisdiction of Cleveland, he could not transfer it without also adding to the Cleveland area six states and parts of two others stretching as far west as Montana. The system worked out in such a manner that six of the seven supply branches had districts larger than the War Department procurement districts used by the Assistant Secretary. This result violated the elementary principle that the jurisdiction of the supervising field official must be as large as, or larger than, the jurisdictions of the persons he is to supervise.

The key to the whole difficulty of the War Department scheme was that its boundaries followed too slavishly the precedents of the Ordnance Department and War Industries Board. The Ordnance Department was an operating, not a supervising agency, and its district boundaries were drawn on that basis. Furthermore, it was an agency with specialized interests; the location of ammunition and gun factories was presumably the controlling factor in its choice of boundaries and headquarters. That agencies interested in the manufacture of medical

supplies and woolen clothing should be required to adopt the districts chosen by the agency procuring ordnance materials (even though the districts could be grouped in peacetime) seems most unreasonable. Although the War Industries Board might be regarded as a more appropriate precedent since it was a coordinating agency, one should recall that it had been faced by the necessity for immediate action and, therefore, had found it convenient to take over the ready-made scheme of the Ordnance Department with few alterations. The situation facing the Assistant Secretary in 1923 was entirely different from that of 1918, and, with the relative freedom from the necessity for immediate action, he might have deliberated at length on the factors involved in regionalization for procurement planning, instead of adopting practically unchanged the regions of the Ordnance Department and the War Industries Board.

Studies and Recommendations

THESE and other objections to the district plan were forcefully presented in a series of studies made between 1930 and 1933, and eventually led to abandonment of the plan. The Hasson study of 1930, the Wilby study of 1932, the Colladay reports of 1932, the Voris Board report of 1933, and the Wilby report to the Voris Board in 1933 all urged reorganization of the areas for field administration.

The Hasson Study

Colonel John P. Hasson, director of the planning branch, made a study in June, 1930, that came to two significant conclusions: (1) that the location of industry had changed since the World War when the War Department procurement districts were drawn by the Ordnance Department and War Industries Board, and that procurement district boundaries should be changed accordingly; and (2) that states should not be divided by procurement district boundaries. With respect to the first conclusion there can be no doubt that indus-

try had migrated from New England to the north central and southern states. The failure of War Department district boundaries to alter in accordance with this fundamental change in industrial location struck Colonel Hasson as a substantial interference with the objective of equalizing the load of work among the districts. Such equalization he thought desirable because of strategic considerations, the need for equitable apportionment of the war load among the nation's industrial sections, and the administrative necessity of giving each procurement district chief an approximately equal amount of work.

Colonel Hasson made two principal objections to the division of states by district boundaries: first, it "tends to a division of responsibility involved in locating and surveying the industries of the divided states, suitable for producing our military requirements," and, second, it "makes it difficult and impracticable to apply current statistical data available and pertaining to industry to the respective parts of those states that form two or more districts." A specific pattern of twelve districts was proposed, based on the propositions that states should not be divided by district lines, and that the number of facilities capable of manufacturing military supplies should be approximately the same for each district—thus, it was asserted, equalizing the load among districts.

The Hasson proposals were submitted to the several supply branches, and their comments constitute some of the most fruitful source material available on principles of administrative areas. These comments dealt with the necessity for War Department districts, the disadvantages of change per se, the number of districts, the adoption of state boundaries instead of the division of states, the equalization of the industrial load among districts, the possibility of other criteria for the establishment of district boundaries, and the errors of the specific boundaries proposed by Colonel Hasson.

The Chief Signal Officer thought that since the Assistant Secretary's district repre-

sentative in wartime would be powerless, and since no two supply branches had similarly consolidated War Department districts, the War Department districts were of slight value to the supply branches and should be abolished. Each supply branch would then be permitted to follow its own convenience in establishing district boundaries and headquarters.

Most supply branches acknowledged the need for a master set of districts, but three of them thought the Department should let well enough alone. Regardless of how logical the Hasson boundaries might be, there were disadvantages in change per se. Over the period of eight years the existing district organizations of the supply branches had established a wide contact with industry, built up a mass of records that could not easily be adjusted to a new regional pattern, and in some districts organized the industrialists into advisory boards. A change in district boundaries and headquarters might fatally disturb the work. Such, at least, were the views of the Ordnance Department, the Chemical Warfare Service, and the Air Corps. Other branches thought it was time for a change.

Most of the branches concurred in the Hasson recommendation that the number of War Department districts (fourteen) should be reduced. The Chemical Warfare Service urged that a multiplicity of districts must mean a slight amount of work in each, so slight in some cases that it would be difficult to keep alive the interest of the civilian district chief and his advisory board. The Corps of Engineers and the Quartermaster Corps assumed that the jigsaw-puzzle principle of the 1923 scheme would continue in force and suggested a larger number of districts in the west, central west, and south to be compensated by a decrease in the number of districts in the northeast. Such a move, it was hoped, would enable the allocation of facilities to keep pace with the shift of industry.

The Hasson study sharply departed from the old district plan in its insistence that

states should not be divided by district boundaries. It was of some significance to the plan of administrative areas ultimately developed that five of the seven supply arms and services concurred in Colonel Hasson's judgment. Major Wilkes of the Corps of Engineers admirably summarized the positions for and against state division in these words:

The advantages accruing from having these Districts limited strictly by state boundaries are:

- a. The statistics gathered by Government Bureaus and other research agencies are conveniently available.
- b. The states are administrative and Government unities. Each has its own particular laws which control intrastate commerce, building activities, public sanitation, corporation activities, and many other matters closely related to procurement and production and labor policies incident thereto.
- c. During the World War a great deal of assistance was gotten from State Councils of National Defense and other state organizations. This assistance could be utilized to greatest advantage if our organization was built up along state lines.

The only advantages that I can see for boundary lines not following those of states are:

- a. Each large city has a trade area immediately tributary to it. Manufacturers in this trade area are mutually dependent and often of common ownership. These trade areas are not limited by state lines but often extend beyond them.
- b. The limited personnel available for procurement planning makes it necessary to place that personnel at points where its labors will produce the greatest results. This means that the district headquarters will be located in large industrial centers. It also means that the territory assigned the district for survey should center around such city regardless of state boundaries.

Balancing these considerations against each other, he, as well as representatives of the Quartermaster Corps, Medical Corps, Signal Corps, and Air Corps, concluded that the scales favored adherence to state boundaries. Dissenting from this position were the Ordnance Department and the Chemical Warfare Service whose representatives argued that not political boundaries but transportation facilities, availability of raw

materials, and natural barriers had guided the economic growth of the country so that many industrial communities—New York, Philadelphia, Pittsburgh, Chicago, St. Louis—extended beyond the boundaries of states. In their view, therefore, industrial communities rather than political areas should be the basic units in a regional scheme for procurement of industrial products.

Colonel Hasson, it will be recalled, thought that the principal consideration in drawing district boundaries should be the equalization of the load among districts, and this load, he assumed, could be measured by the number of facilities allocated or capable of being allocated for the manufacture of military supplies. Both the Quartermaster Corps and the Corps of Engineers discerned the fatal flaw in this argument. The *industrial* load of work, they pointed out, cannot be measured by a simple comparison of the *number* of facilities in each district, but must also take account of the *productive capacity* of those facilities. And furthermore, the *industrial* load is not identical with the *administrative* load. For the latter there must be considered such factors as the location of the facilities within the district, the area of the district, and transportation and communication facilities. As Colonel Ralston, an officer in the Corps of Engineers, recognized, "ten facilities in the immediate vicinity of a headquarters can be supervised as easily as one 12 hours' travel removed."

The specific boundaries proposed by Colonel Hasson were criticized in telling fashion by several of the supply branches. By glancing at the map (Figure 5), the reader can appreciate the defects of a plan under which the Detroit procurement representative could reach the largest part of his district only by traveling through Chicago, another district headquarters; the Baltimore representative could reach the New Jersey

portion of his district only by traveling through Philadelphia, another district headquarters; the state of West Virginia was intended to be served by the Birmingham



FIG. 5.—DISTRICTS PROPOSED BY HASSON STUDY, 1930

headquarters; Louisiana, "an integral part of the South," was excluded from the Birmingham district; and Wyoming, Utah, and Arizona were included in the St. Louis district although they were more readily accessible from the office that was located in San Francisco.

Two supply branches, the Signal Corps and the Chemical Warfare Service, urged that procurement districts should coincide with the nine corps areas used for the Army's command function. The Signal Corps, despairing of a true industrial regionalization since most regional schemes in use in private business showed such divergence, presented an argument susceptible of syllogistic statement: procurement districts should be based on production capability; corps areas, being based on manpower (which a minor syllogism sought to prove was an "accurate indicator of the production capability of a particular locality"), are based on production capability; therefore, procurement districts should coincide with corps areas. The Chemical Warfare Service, though realizing that industrial capacity and manpower are not interchangeable as bases for regions, insisted upon the unity of the supply func-

tion. It pointed out that, under the existing arrangement, procurement of war supplies was handled through procurement districts, while distribution of those supplies to the troops was handled through the corps areas. Effective field coordination of these two activities could only be achieved, it thought, if the administrative areas were the same. Consequently, it urged the adoption of corps areas as procurement districts.

Although the proposals of the Hasson study could not well be put into effect, the discussion provoked by the study indicated that most of the supply branches agreed that the 1923 plan was outmoded, that a decrease in the number of districts was desirable, that as a general rule state boundaries should be followed, and that the many factors making for economy, efficiency, and distribution of the load in district administration should be accorded great weight. All these considerations brought out in the discussion of the Hasson study influenced the eventual revision of the district scheme.

The Wilby Study

In 1932 Colonel F. F. Wilby of the Corps



FIG. 6.—DISTRICTS PROPOSED BY WILBY STUDY, 1932

of Engineers prepared an elaborate study of the procurement districts. This study advanced the thesis that the proper basis for the choice of district boundaries is the natural grouping of states according to power

facilities. Colonel Wilby first determined that the number of procurement districts should be reduced since only one supply branch had established a district office in each of the fourteen War Department districts, and since the requirement that in wartime every supply branch must do so would unnecessarily increase overhead without proportionately increasing efficiency in procurement. As the average number of districts in the supply branch schemes was between six and seven, and as each supply branch had already set up headquarters in three cities (New York, Chicago, and San Francisco), he concluded that the ideal master scheme would provide for between three and seven districts. Then if any supply branch wished a greater number of districts than the revised master plan offered, "it would be more efficient to let that branch subdivide a War Department Procurement District and establish local suboffices to handle its procurement in such subdistricts, rather than base the whole War Department procurement organization on the needs of one branch for such suboffices." As will be seen from the accompanying map (Figure 6), Colonel Wilby concluded that five districts and sixteen subdistricts should be established.

Colonel Wilby arrived at his precise boundaries and headquarters through a simple bit of reasoning: Procurement districts should correspond to the existing distribution of industry; power generated is the best index of the distribution of industry; therefore, procurement districts should be based on the generation of power. Wilby determined that there were, broadly speaking, five great power zones, so he recommended the establishment of five

War Department districts corresponding to these power zones. Boundaries observed state lines except in the cases of Pennsylvania, Maryland, and Michigan. Three of the choices of headquarters were fairly ob-

vious—New York, Chicago, and San Francisco. The sixteen subdistricts followed, where possible, the boundaries of the fourteen War Department districts under the 1923 plan.

With respect to intradistrict organization Colonel Wilby took a strong stand for the Assistant Secretary's district representative, urging that he "should have the full authority of the Assistant Secretary of War to coordinate procurement, power, labor, and transportation in his district."

The Wilby conclusions were criticized by the supply branches on the grounds that power should not be the sole criterion in setting up districts and that the district representative of the Assistant Secretary should not be given the proposed "practically unlimited powers." The latter point was supported by assertions that the district representative could not have sufficient knowledge of the complicated questions involved in branch procurement, and that there should not be interposed between the chief of a supply branch and his field agents an official over whom he had no control.

The Colladay Board Report

In December, 1932, studies made by a board under the chairmanship of Major E. B. Colladay were submitted to the Assistant Secretary of War. The Colladay Board sought to reconcile the conviction of the supply branches that the number of procurement districts should be decreased with their obvious distaste for change in their own field organizations. It found the desired formula in the proposal to group existing War Department districts to form the new master districts. It proceeded to group the old districts in the manner already followed by the branches with the result that its new plan would disturb the field establishments of only three branches, the Air

Corps, Medical Department, and Signal Corps. The board believed that the resulting districts were also closely related to power zones, industrial areas, transportation, and the general geographical features of the country (see Figure 7). Three of the



FIG. 7.—DISTRICTS PROPOSED BY COLLADAY REPORT, 1932

four proposed headquarters chosen were already in use by all the supply branches.

Four advantages of the scheme were described: the organization of the supply branches would not be affected; the supply branches would be able to maintain their records in four sections instead of in fourteen as required under the then existing plan; the supply branches would have to provide for only four liaison officers instead of fourteen; the Assistant Secretary would be able to exercise coordination through four field subordinates far better than through fourteen.

The Colladay Board proposed no change in the then contemplated status of the Assistant Secretary's district adviser. He would have no direct control over supply branch officers in the district, but in time of war the Assistant Secretary could continue him as a general facilitator, could give him full coordinating powers in his district, or could send trouble-shooters from his Washington office at any time as local situations required.

Voris Board Report

A further study of the problem of field districts was conducted by a board of officers headed by Colonel Alvin C. Voris. Its report, filed on January 25, 1933, was responsible for the abandonment of the old 1923 district plan in favor of a master scheme of four procurement zones. The board studied the Wilby and Colladay plans, and also relied very heavily on a criticism of the Colladay plan filed by Colonel Wilby, who was a member of the Voris Board. Colonel Wilby assailed the Colladay plan for dividing the country into "vertical districts" running north and south rather than east and west. He particularly urged the importance of establishing a southern district to which facilities might be reapportioned in case the northeast industrial section were captured by the enemy, and he pointed out that the South was making rapid strides industrially and was therefore entitled to a significant share of original allocations. In his critical comments Colonel Wilby also insisted that the Assistant Secretary's district representative should have strong coordinating powers over supply branch representatives in his district.

The Voris Board acknowledged the desirability of decreasing the number of districts, and proposed to reconstitute them so as to cause minimum interference or conflict with the existing procurement district organizations of the various supply arms and services, thus following the Colladay report, and so as to "conform to State lines except where the natural geographic features of the country and industrial areas make it inadvisable," thus following the basic views of Colonel Hasson in 1930. The board recommended that the fourteen existing War Department procurement districts be grouped into four "War Department Procurement Zones." The boundaries chosen were identical with those proposed in the second Wilby report, and differed but slightly from those outlined in the first Wilby study. Hence, distribution of power was the basis for the new proposal. It was recommended that in wartime

there should be stationed in each zone headquarters an "advisor" of the Assistant Secretary of War, a representative of each supply branch, and representatives of agencies controlling power, labor, transportation, and other factors involved in industrial mobilization as determined by high authority. Although "all procurement districts are under the exclusive jurisdiction and control of their respective chiefs of supply arms and services, . . . in war, questions of conflict arising between the procurement districts which cannot be settled locally will be referred to the Advisor of The Assistant Secretary of War at the appropriate War Department Procurement Zone Headquarters. Appeals from such decisions may be made by either party concerned to The Assistant Secretary of War." The supply branches would be free to establish whatever branch procurement districts they desired, provided only that each district should be wholly within the boundaries of one of the four zones.

Six of the seven supply branches' representatives on the board concurred in these recommendations, but Major R. S. Barr, representing the Ordnance Department, filed a minority report strongly attacking the whole idea of a master regional scheme staffed by regional advisers of the Assistant Secretary. The supply branches, he pointed out, bore full responsibility for actual procurement, and dealt with different types of industry. Each branch should and would perform its field activities through a distinctive regional scheme best adapted to its own efficient operation. The War Department procurement districts or zones should be abolished for they served no useful purpose. Either the zone adviser would be powerless and so superfluous, or he would have too much power and so would destroy the control of the supply branch chiefs over their field representatives. The zone adviser would be valueless as a contact between the supply branch agents and the representatives of the proposed War Industries, Labor, Power, and Trans-

portation Administrations since direct contact between supply branch agents and these representatives of superior agencies would be quicker and more satisfactory. Furthermore, the superior agencies would perform their own functions more effectively if each were to adopt the district scheme best fitted to its functions instead of taking over the War Department zone scheme. At any rate, the zone adviser would lack the technical knowledge required to adjust difficulties among the supply branch agents and the representatives of the superior agencies. The need for War Department zones, therefore, would disappear, and the Assistant Secretary could exercise his coordinating powers at Washington, and, when necessary, in the field by dispatching a representative with expert knowledge to the localities where difficulties might arise. For good measure Major Barr added a condemnation of the zone boundaries, pointing out that power was not the only factor that should be considered in regionalizing for procurement, that several zones separated trade centers from their natural trade areas, and that in several cases the 1923 War Department district boundaries were ignored, thus occasioning a disruption of the then current field operations in procurement planning.

1933 Reorganization

THE opinion of the majority of the Voris Board rather than of Major Barr prevailed. Acting on the Voris Board recommendations, the Office of the Assistant Secretary of War announced on February 28, 1933, the establishment of four War Department procurement zones with headquarters at New York, Chicago, Birmingham, and San Francisco (see Figure 8). Supply branches were directed to adjust their districts so that each district would lie wholly within one of the zones and so that each

zone would include at least one district for each supply arm and service. Any branch whose peacetime activities were inconsiderable was authorized to attach inactive districts to active districts pending the occurrence of war.

In accordance with the directions of the

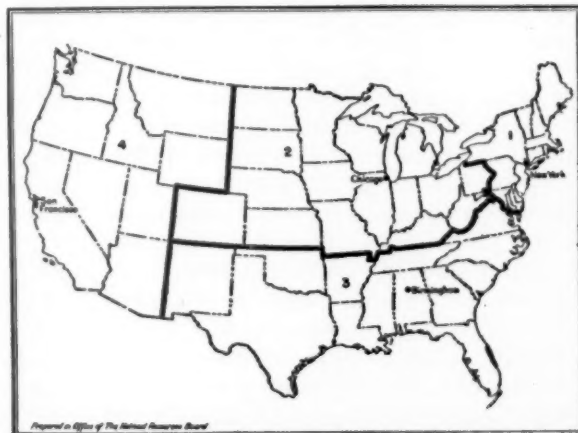


FIG. 8.—WAR DEPARTMENT PROCUREMENT ZONES, 1933

Assistant Secretary, each supply branch took steps to rearrange its procurement districts. The two most important supply branches—the Ordnance Department and Quartermaster Corps—never did conform fully to the new requirements. The Chief of Ordnance, whose representative on the Voris Board had so vigorously dissented from that board's recommendations, fought the requirement that his Department abandon the district scheme which with minor modifications had served it since 1918. It was not until February, 1934, that the Ordnance Department finally accepted the new point of view, and then grudgingly, with a scheme that duplicated its old organization as far as the zone scheme permitted, and that actually violated the zone scheme by attaching Tennessee to the Cincinnati district.

The Quartermaster Department formally complied with the zone scheme by filing a list of new districts, and by attempting to relocate its district headquarters. The Quartermaster Department, however, never did

adopt Cincinnati as a headquarters, at first on the ground that no office space could be found in Cincinnati, but later on the ground that Jeffersonville had great advantages over Cincinnati as a quartermaster center. Finally, in 1934, the procurement zone scheme was completely discarded so far as the quartermaster procurement activities were concerned, and a set of districts set up that corresponded roughly to the Army corps areas. The Quartermaster Department's experience in handling procurement and distribution for the Civilian Conservation Corps, it argued, "proves conclusively that the operations incident to procurement, storage, and distribution of Quartermaster supplies in the Zone of the Interior, as in a Theater of Operations, must be performed by one and the same organization." A separation of these functions, it was added, would be "just plain suicide for the Quartermaster Corps." Since the functions of storage and distribution were already carried on through the corps areas, it was decided that the same areas should be used for procurement.

The number of districts chosen by the supply branches for peacetime planning varied from three to fourteen, and for actual wartime procurement from four to sixteen. Only three headquarters were common to all seven branches, and these, as under the 1923 scheme, were New York, Chicago, and San Francisco. Only two of the branches had peacetime headquarters at Birmingham, although it had been designated the headquarters for War Department zone three. Boston and Philadelphia were each selected by four supply branches, while three supply branches had district offices in Pittsburgh and St. Louis. Baltimore and Cleveland were chosen by two supply branches each. Nine cities were each chosen by but one branch for peacetime district offices. In all, twenty cities were proposed for procurement planning offices in time of peace, and twenty-two would be used as district offices in time of war.

The crucial problem of intrazone organization, intradistrict organization, and Wash-

ington-field relations was that of the role to be assigned the Assistant Secretary's zone adviser. Instead of adopting the Voris Board's recommendation that the adviser be authorized to settle all local conflicts among supply branches, subject to appeal to Washington, the planning branch of the Office of the Assistant Secretary specifically directed that "procurement district chiefs will remain directly under the jurisdiction of and will report to their respective Chiefs of Supply Arms and Services." Subsequently the Office of the Assistant Secretary of War outlined in greater detail the role of the zone adviser on the model of the regional adviser of the War Industries Board. He was to cooperate in the task of bringing public support and the elements of production to the aid of the procurement agencies, and to gather data which, "together with his counsel and advice," were to be "available at all times to the representatives of the supply arms and services, but only to the extent requested by them." The Assistant Secretary was forbidden to communicate directly with the field agents of any supply branch, his dealings being habitually with the chiefs of the supply arms and services.

Abolition of Scheme in 1938

DESPITE the attempt of the Assistant Secretary to establish a zone scheme that would occasion a minimum of disturbance to the field work of supply branches and despite his attempt to reassure them by specifically defining the zone advisers' modest functions, much dissatisfaction seemed to result. We have already seen that the two most important branches kicked over the traces by establishing district schemes that violated the zone scheme. Finally the Assistant Secretary's Office succumbed to the complaints and in 1938 abolished its procurement zones on the basis of its finding that the system of War Department procurement zones was unsatisfactory in the following respects:

1. The zones were unnecessary, since the duties assigned to the zone advisers could

be performed to better advantage by representatives of the Assistant Secretary of War on the regional staffs of the federal super-agencies [i.e., "superior agencies" such as the proposed War Resources Administration].

2. The zone system constituted a potential source of undesirable interference with the proper management of the procurement districts.

3. The number of zones appeared to be insufficient to permit of intimate contact with a much greater number of procurement districts, or an adequate understanding of district problems.

4. The requirement that each supply branch establish at least one district office in each zone imposed an unnecessary burden on at least three branches which found that the resources of the Birmingham zone were unsuited to their procurement needs.

5. The existing zone boundaries were established on a narrow and arbitrary basis, with the result that it was difficult to make district boundaries conform.

It was decided that the supply branch chiefs should control their own procurement districts, that they should have free rein in the choice of district boundaries and headquarters, and that the Assistant Secretary should in general confine himself to his Washington tasks of allocating facilities, promulgating general policies, and effecting coordination by contact with the supply branch chiefs. In time of war the Assistant Secretary could best facilitate field operations, it was said, "by providing mediators for the settlement of conflicts, and by representing the Districts collectively before the regional officials of the Federal super-agencies in matters relating to the allocation of contributory materials."

In 1938, therefore, the War Department abandoned the idea of a master regional scheme for procurement of supplies, and decided to rely for the coordination of supply branch agents in the field on (a) such field coordinators as might (or might not)

be set up in time by the proposed War Resources Administration, (b) mediators sent out by Washington to offer their good offices in adjusting local conflicts, and (c) coordination of the supply branches at Washington by the Assistant Secretary of War.

Conclusion

FROM the outbreak of the World War until the year of the Munich crisis the actual selection of boundaries and headquarters for the field districts, zones, and regions used for procurement planning depended upon two incompatible factors: first; an almost judicial reverence for precedent and historical continuity, with an emphasis on the disadvantages of change as such; second, a logical analysis, on a "clean slate" approach, of the problem of regionalizing for the function involved. The first approach not only has been extremely influential in War Department districting but also has some genuine merits. The logical analysis approach has often had a merit that was more superficial than genuine. Thus might be characterized, for example, the Wilby and Voris emphasis on the distribution of power as a single factor to consider in drawing boundaries for procurement areas, and the Hasson stress on the number of facilities as the index to the load of work each district would carry.

The confusion concerning the formula to govern the relations in a master region between the Assistant Secretary's adviser and the district chiefs of the several supply branches originated in Washington. The active day-to-day supervision of procurement planning was exercised not by the Assistant Secretary, but by the director of the planning branch of the Office of the Assistant Secretary. This director was in an extremely difficult position as supervisor of supply branch procurement activities. His rank was usually that of colonel. It was his function to supervise chiefs of branches who bore the titles brigadier general and major general. Generals do not welcome supervision by colonels.

Furthermore, the director of the planning branch held his title and had his career in one of the seven supply branches. The last two directors have been from the Ordnance Department, the supply branch that has most vigorously dissented from the 1933 zone scheme and has most severely attacked the proposals to give the zone adviser coordinating powers. Under War Department policy, assignments to positions were for a maximum of four years. This meant that before his assignment as director of the planning branch the director had a career, for example, in the Ordnance Department, and after his term of service as director expired, he returned to the Ordnance Department to be assigned to such position in Washington or in the field as the Chief of Ordnance determined. It could scarcely be expected that, no matter what his character, he could impose his will with any forcefulness on the Chief of Ordnance, his superior. All the military personnel of the Office of the Assistant Secretary of War were in the same position. The result was that the Assistant Secretary's Office made a place for itself as a supervising agency but slowly; it was still surrounded by supply branches jealous of their power; its personnel was of rank inferior to that of the personnel it supervised; and the career of officers in the Assistant Secretary's Office was dependent on their keeping in the good graces of the chiefs of the supply arms and services. It is rather academic to speculate on what powers of coordination the Assistant Secretary should have had in the field since his supervisory powers were not fully developed in Washington.

The student of administrative areas can find some interesting aspects in the experi-

ence of the War Department supply services during the two decades before 1938. Like most agencies dealing with problems of field administration, the War Department saw the efforts of reformers held back by the inertia of traditionalists. In setting district boundaries, the various services could not agree whether states or natural trade areas should be divided, and they had a tendency to rely on some one factor such as power distribution or the location of factories rather than on a composite factor. In choosing district headquarters, officials gave a great deal of weight to the availability of office space and the locations already chosen by cooperating agencies.

Finally, the problem was complicated by conflicts between the general departmental administrators and the heads of the specialized services. The supply services often insisted that district schemes had to be adapted to their particular functions and could not be standardized for any large group of them. The relations among the supply services at headquarters had a profound influence on the relations among their field representatives, and the chiefs of the supply services at headquarters always insisted on having direct control over their field agents without the intervention of a departmental district chief.

To close with a specific answer to the two main problems implicit in the long controversy over the procurement areas, we may express the opinion that an over-all scheme of procurement regions was both feasible and desirable, and further that the field representative of the Assistant Secretary of War should have been given the power to settle local conflicts among field agents of the supply branches.

The Local Housing Authority

By B. J. HOVDE

Administrator of the Pittsburgh Housing Authority

THE "authority" as an instrument of public administration is comparatively new in the United States. The Port of New York Authority, established in 1921, was the first such agency in this country, though the type was already well developed in England and Sweden. In 1933 the Tennessee Valley Authority was created by Congress, and in 1937 the United States Housing Authority. The United States Housing Act of 1937 invited state and local governments to establish "public housing agencies," as some of them had already done. The United States Housing Authority was authorized to lend such agencies up to 90 per cent of the cost of development of housing projects which it approved and to make annual contributions to reduce rents.

To date, thirty-eight states have adopted enabling acts under which five hundred local housing authorities have been created. The typical local authority consists of five members, usually appointed by the mayor or the county commissioners for staggered terms. The members of the local authority constitute the policy-making board; ordinarily they appoint an executive director who supervises the work of the staff and is held responsible for the execution of policy. Local housing authorities are semi-independent agencies which in the performance of public business have relationships with local, state, and national governments. A description of these relationships may serve to indicate the essential nature of these local housing authorities, which were established to perform a relatively new function of government in the United States.

Relationships with the Federal Government

ALTHOUGH local housing authorities are created by state and local governments, their relationships with the federal government are exceedingly important. Theoretically they might have no such relationships since state legislation makes it entirely legal for them to get capital elsewhere, but in practice they have borrowed their funds so far principally from the United States Housing Authority.

The United States Housing Act of 1937 provided the impetus under which local housing authorities have been set up in thirty-eight states and in insular possessions. This law, the basic public housing act in this country, created the United States Housing Authority to finance and advise local housing authorities. The decentralized character of the federally sponsored public housing movement is clearly established, however, by the provision that "the Authority may make loans to public housing agencies to assist the development, acquisition, or administration of low-rent housing or slum-clearance projects *by such agencies*" (italics by the author).

In other words, it is intended that the local agencies shall plan, develop, own, and operate low-rent housing projects, submitting only to such control by the federal agency as is necessary to protect its investment and insure compliance with the terms under which that investment was made. These terms fall naturally into two categories: (1) those designed to assure the low-rent character of the project for tenants of

low income, and (2) those designed to protect the legitimate interests of labor employed to develop and operate the project. No one can question the prudence and advisability of these "protective" features of the law. The method of compliance with these legal prescriptions, however, is left to the local authority. This is true decentralized administration, genuine local autonomy.

The financing of public housing projects aided by the U.S.H.A. is partly public and partly private. Up to 90 per cent of the development, or capital, cost of such projects may be borrowed from the U.S.H.A.; the remainder must be raised either by contributions of the local community (lands, services, or cash) or by the sale of the bonds of the local authority to private investors. In practice more than 10 per cent of the financing of local authorities is provided by private capital. Short-term loans, for example, which may carry almost the entire developmental cost, are obtained from private sources with security in the form only of a promise to pay by the U.S.H.A. On moneys borrowed directly from the U.S.H.A., local authorities are required to pay, on the average, 3 per cent interest; short-term loans can be had for a fraction of 1 per cent, and this type of borrowing thus saves hundreds of thousands of dollars in interest. Significantly, it was a local housing authority (Syracuse, N. Y.) which first planned and proposed this system of short-term financing. It may prove possible to carry on with these cheap short-term funds far beyond the completion of the project. Even on the basis of permanent or long-term financing, local authorities have been able to sell bonds to finance from 15 per cent to 25 per cent of their costs to private investors at lower rates of interest than those which the U.S.H.A. is obliged to charge. There is thus every incentive to secure financing from private investors.

In their methods of financing, local housing authorities have proved themselves instruments for effective cooperation between

government and business, and this cooperation is by no means limited to financing. It marks all of the work of the local authorities during the development of any project, for the local authority carries on its construction program entirely through private contractors. Through public advertisement the local authority selects qualified contractors on a "lowest-responsible-bid" basis. The local authority hires private real estate men to buy its land, private engineers to survey it, private construction firms to build the houses, private electrical, plumbing, and heating firms to make the necessary installations, and private landscaping contractors to put on the finishing touches. In these and many other ways, the local authority has proved an effective instrument of cooperation between public and private business. It retains in its own small staff the primary functions of planning and supervising the development of the housing projects and their management upon completion.

The United States Housing Act provides for annual federal and local contributions to the local housing authority to enable it to reduce the rents in its projects below the level of "economic" rent and thus provide decent shelter within the financial means of families of very low income. The local annual contribution must be at least 20 per cent of the federal; and normally it takes the form of tax exemption. To date the maximum federal annual contribution has been 3.75 per cent of the original capital cost of a project. The U.S.H.A. properly assures itself before signing the loan contract and the annual contribution contract—that is, before agreeing to advance any funds whatever—that development costs and operating expenses on a proposed project will be low enough to make possible rents within the ability of very low-income families, and to make possible the amortization and operation of the project within the total income from rents and annual contributions. The capital cost is not a grant to the local housing authority but a loan, and therefore a taxpayers' investment (so far as public

money is borrowed) rather than a cost to him.

It is otherwise with the local and federal annual contributions; they represent a real cost to the taxpayer. It may properly be argued that the taxpayer's outlays for his badly housed fellow citizens are greater when the government does not invest his money in good housing than when it does; nevertheless, these contributions are real items in the tax bill and it is the duty of the local authority to keep them as small as possible. To that end the U.S.H.A. has assisted local authorities in planning the construction and management of projects so as to enable most of them to return to the local government a part of the tax exemption as payments in lieu of taxes, and to draw a considerably smaller annual contribution from the U.S.H.A. than the maximum permitted, at least during the somewhat foreseeable period of the first ten years. To the same end local housing authorities are constantly making studies, conducting experiments, and submitting recommendations to one another and to the U.S.H.A.

In general, there are two means by which this reduction in cost to the national and local taxpayer is achieved. The first is economy in operating costs. The second is increased income from rents.

In order to achieve economy in operating costs, projects must be planned with this end always in mind. The U.S.H.A. is constantly urging local authorities to do this type of planning, and the local authorities are almost always striving manfully to accomplish it. Both agencies, however, have been confronted with the dilemma that long-term economy in operation can often be achieved only by using superior design, materials, and equipment, which add to the original capital cost. Sometimes they can agree upon the proper solutions to these problems quickly by a process of research, but often the experts employed by the two agencies will disagree. In such cases the strong local authority may win the argument by insistence; but the U.S.H.A. will almost invariably

override the objections of the weaker and less experienced local authorities. The whole national program is still too young to provide a clear vindication of any point of view. It would seem, nevertheless, that the U.S.H.A. could well afford to leave the local authority the latitude on such matters which is provided by the cost limitations in the U.S. Housing Act, or at least permit the exercise of local judgment within a reasonable percentage of such limitations.

There is frequently a tendency among enthusiastic local authorities, when they contemplate the many duties of good project management, to overestimate personnel requirements. From the beginning the U.S.H.A. has been fully aware of this tendency and has exercised a strong check on management budgets with the purpose of holding down personnel costs to the bare minimum. Most local authorities have agreed with the U.S.H.A. when the arguments and facts have been presented to them. On the other hand, some local authorities, in their zeal to keep down expenses, have gone to the opposite extreme and endangered the economical operation of their projects by providing too small a personnel.

Another way in which operating costs have been reduced has been through the use of the greatest possible amount of tenant maintenance so as to avoid the need for janitors and landscape men. The savings made possible through this contributed work are remarkable, and it seems no more than right that tenants who have part of their rents paid by the public should reduce costs by cleaning the project stairs and halls and maintaining the lawns. These savings in operating cost redound to the benefit of the taxpayer in reduced federal subsidies.

Another method of reducing the burden of public housing on the taxpayer is to increase rental income. Some projects, by adopting a graded rent system, have found it possible to increase their incomes from rents and still serve only low-income families taken from substandard housing. Under this system rents are graded according to

family incomes. All the families need rent subsidies, but some need less than others. The graded rent system is a vertical treatment of the legitimate market, in which the lowest grade reaches down to include families who are at the relief level of income. The other grades reach upward from this level with the highest grade for families whose housing and incomes make them barely eligible. The increased incomes from rents thus achieved may then be applied to the further reduction of federal subsidies, or to payments in lieu of local taxes, or both.

A good working relationship usually prevails between the local housing authorities and the U.S.H.A. Each strives to respect and accord consideration to the other in order to achieve the spirit of decentralization provided by the United States Housing Act. It must be admitted, nevertheless, that local authorities have had to fight for their rights. Though it may have been natural that the U.S.H.A., charged with the responsibility of enforcing the rather rigid provisions of the act and staffed with almost the only public housing experts in the country, should assert a vigorous leadership during the first two or three years of the program, the fact remains that many local authorities have bitterly resented what they have held to be excessive control by the national agency. In the beginning, the U.S.H.A. completely dominated all but a very few local authorities, prescribing not only the outside limitations of their expenditures and the general conditions to be observed in the development and management of their projects in order that the law should be respected, but dictating minute details as to materials, design, and procedures.

The results were both good and bad. Unquestionably the U.S.H.A. was far better equipped than most new local authorities to keep down costs without sacrifice of good planning and design, and the achievements to date are a monument to that policy. Perhaps this early sacrifice of the principle of decentralization was necessary. On the

other hand, this paternalism has been the cause of much friction with vigorous local authorities who conceive that they exist to express the local public will as far as it may be compatible with the basic statutes, and not merely to be the obedient instrumentalities of the U.S.H.A. The effect upon the weaker local authorities has been unfortunate, for instead of growing up and assuming their independent responsibilities they have meekly permitted the U.S.H.A. to do almost all their work.

This kind of submission is not natural, nor indeed is it desired by the Administrator of the U.S.H.A., Mr. Nathan Straus, and his thoughtful immediate subordinates. With the experience gained by both the national and local agencies, considerable improvement in relationships has been effected. More and more, as local authorities have acquired knowledge of their work, they have grown self-assured and assertive. After developing their first projects, they refuse longer to be kept in rompers, and at that stage, too, the U.S.H.A. may more safely trust their judgment. Furthermore, local communities have become more housing conscious with the result that it has been necessary for both local authorities and the U.S.H.A. to have more and more regard for local opinion.

The give-and-take relationship between local authorities and the U.S.H.A., with many small irritations and adjustments on both sides, may be expected to continue; it is inevitable when earnest, vigorous personalities and agencies try to do things together. But the trend is definitely in the wholesome direction of increasing local autonomy. Evidence is found in the frequency with which the U.S.H.A. calls upon representatives of local housing authorities to advise it upon the formulation of policies and even upon its own internal administrative organization.

Beyond its normal relationship with the U.S.H.A. provided by federal law, the local housing authority is privileged to function in cooperation with other federal agencies.

During the first three years, most local authorities have limited their activities to the slum-clearance and low-rent housing programs financed through the U.S.H.A. The Fort Wayne, Ind., authority, however, has achieved national fame for its program of prefabricated housing, financed through mortgage loans from private investment banks insured by the Federal Housing Administration, and constructed by Work Projects Administration labor. Many other local authorities have studied the financing of residential projects through the F.H.A., but so far nothing else of this kind has actually been done. The local housing authorities have encountered the insuperable obstacle of finding the equity necessary under F.H.A. regulations for an 80 per cent insured mortgage. Even if this obstacle could be overcome, the rents which would have to be charged under the F.H.A. system to amortize and operate the project and pay all taxes would be at a level that could be met only by families of the lower middle-income bracket or above. It has been felt generally that housing for middle-income families should be left strictly to private enterprise. In many communities, however, the local housing authority is constantly urged to build homes for skilled and white-collar workers, particularly where acute shortages of decent housing exist and where private investors have been unable or unwilling to remedy the deficiency. Local housing authorities are unanimous in the desire to offer no competition to private enterprise, but where the job of supplying decent homes for American families is not being done by private enterprise, the local authority is often legally authorized to do it, provided it can find the funds.

Until very recently, U.S.H.A. funds lent to local housing authorities were expressly authorized *only* for low-rental housing for low-income families. The tenants in public housing projects had to be families who had previously lived in substandard housing. Under the provisions of the U.S.H.A. Defense Amendment, approved June 28, 1940,

however, homes built by local housing authorities with U.S.H.A. assistance may be rented to defense workers regardless of income and previous housing conditions. Families of steelworkers, coal miners, chemists, or engineers can thus move into public housing developments if they are engaged in defense production and if there is a shortage of decent housing in the locality. Employees at naval bases and aviation bases are also eligible for public housing tenancy, and at this moment new homes are being rushed to completion for such workers by local authorities in Newport News and Corpus Christi, in Montgomery and Pensacola, and elsewhere. The local housing authority, then, has become an important cog in the preparedness machine.

Under the Lanham Act, approved October, 14, 1940, the Federal Works Administrator is authorized, through the Public Buildings Commissioner or the U.S.H.A., to use local housing authorities as agents for the development and management of defense housing projects for families of enlisted personnel or workers in defense industries. Indications are that the Public Buildings Administration will be employed for this purpose more than the U.S.H.A., and whether local housing authorities will be chosen as agents will depend entirely upon the Administrator of the Federal Works Agency in each particular case. If they are selected as agents, they will not own these defense housing projects, for title will rest in the federal government; but they will certainly be called upon to exercise their planning and administrative abilities to the end that projects so developed will fit into the local scheme as worth-while permanent properties.

Relationships with State Governments

THE United States Housing Act provides that the federal agency, the U.S.H.A., may cooperate with the local housing authorities by providing loans and subsidies to build and operate new homes, but it does not provide for the local housing authorities

themselves. The legislatures of the various states must pass state housing enabling laws if they wish to participate in this decentralized housing program. The method of appointing members of local housing authorities varies widely in the thirty-eight states which have adopted enabling legislation, this variation being proof of the democratic character of the program. Sometimes members are appointed in different ways in the same state, depending upon the size of the community. In Pennsylvania, for example, local authorities are appointed by county commissioners, jointly by commissioners and the governor, by the mayor, or jointly by the mayor and the governor. The exact method depends upon the class of the county or city in which the authority will operate. The number of members of the local authority is always the same—five.

The local housing authorities are usually established as separate bodies politic rather than as divisions of any existing governmental agencies. State laws may require, however, that the plans of the local authorities shall be reviewed by a state board of housing in order to insure compliance with state laws. They may also require periodic auditing by the state of the books of the local authorities and presentation of annual reports to the state board. Although members of local authorities are not liable personally for the debts of their agency, they are liable individually for participating in illegal practices.

The state enabling law, in addition to providing for the appointment of local authorities, also lays down regulations and sets forth powers. In order to carry out the primary responsibilities of clearing slums and building new low-rent homes, the local authorities are granted the right of eminent domain. The state laws further prescribe, in one fashion or another, that the projects are designed for a public purpose, for public use, and shall therefore be tax exempt. Authorities may, however, and do make payments in lieu of taxes for certain county or municipal services. Supreme courts in every

one of the twenty-five states where decisions have been rendered have upheld the "public character" of local housing authorities and public housing programs.

The local housing authorities are given the right by state laws to issue their own bonds after securing the specific approval of the proper state department. They are also empowered by the state to borrow money or accept grants-in-aid from the federal government. Of the utmost importance is the privilege given the local authorities to cooperate with the city, county, state, and federal governments; to plan and install streets, walks, and public utilities; to secure services for project families which are ordinarily supplied by the local government; to arrange for parks and recreational centers, and school, sewerage, transportation, water, and other facilities.

Certain regulatory features of state enabling laws are almost uniform. State laws always require that homes may not be rented for a profit by a local authority, and repeat the language of the federal law to the effect that public housing developments shall be rented to poor families who have lived previously in substandard housing. Housing projects built by local authorities are subject to the zoning, sanitary, and building laws, ordinances, or regulations applicable to the locality in which they are situated. The states thus compel local authorities to plan and locate their developments with complete consideration for the rest of the community. It is required by state law that contracts for more than a certain amount let by local authorities shall be awarded to the lowest responsible bidder after public advertisement for bids. Bonds are required of the contractors to assure completion of the work, and contractors' bonds are also required for the protection of suppliers of materials and subcontractors. The state board of housing must enforce each of these requirements. The state department of health must see that sanitary laws are complied with by the local authorities. The department of internal affairs must review and

approve the bonds or any other indebtedness of the local authority. The state insurance commissioner reviews insurance policies of local authorities. These are the ways, in the main, in which the activities of the local authorities are subject to review by state governmental agencies, but the local authorities are not supervised by any single agency; by state law they are separate, quasi-governmental entities.

Relationships with Local Governments

FAR more close than its relationships with the state government are the relationships of the local authority with the federal agency and the local government, at least during the development of a project. There are long periods in this stage of activities when contacts with the state government are negligible, but the situation is very different with reference to the local government, for at almost every step it must be consulted, and during the whole subsequent life of the project the local authority must "live with" the municipal or county government.

It is with local government that the local authority carries on its day-to-day activities. In fact, the authority depends upon the local government for its initiation and continued existence. Before it can be appointed the local government must decree that there exists a need for the authority and make the necessary basic provisions therefor. Then, except where state law delegates the power of appointment to the governor in whole or in part, the proper local officials, usually the mayor or the county commissioners, must appoint the members of the authority. The first appointments are always for staggered terms of one to five years, and subsequent appointments for uncompleted terms or for a full five-year term.

Although the term of an individual member is comparatively brief, the authority is engaged in long-term business, and it enters into certain agreements with the local government for a period of sixty years, the full amortization period under the United States Housing Act. The most important of

these agreements is usually called the "cooperation agreement," in which are set down the future obligations of the contracting parties. This agreement is thus the statement by the local democracy of what it will require from the semi-independent local authority, and of what it will contribute to the promotion of that agency's work. The cooperation agreement is always subject to careful consideration by both the local authority and the local government; ultimately it is approved by both agencies and signed by their representatives.

In the cooperation agreement the local housing authority pledges itself to construct and operate a project to rehouse an approximate number of low-income families at a low rent, if a project aided by the U.S.H.A. is involved. The agreement may stipulate that the project shall pay a certain sum annually to the local government in lieu of taxes, and the local government pledges itself according to state law to grant full exemption from taxes.

The local government further agrees to provide all ordinary municipal services to the project and its tenants on the same financial basis as to other areas and citizens. Sometimes, for special local reasons, the city will agree to install water mains, sewers, streets, and curbs within the project; it always agrees to make such installations from existing services to the project boundaries. At other times the local authority agrees to do this work within the project boundaries at no cost to the local government, but always in conformance with its standards and under its supervision. Invariably the local government agrees to maintain these facilities within the project without extra charge. The collection of garbage and rubbish almost without exception remains the function of the municipality; for that reason the plans of the local authority for garbage and rubbish receptacles within the project are subject to approval by the local government department charged with the responsibility of collection. Police, fire protection, and public health services are always

to be provided by the municipality at no additional cost. Almost always the cooperation agreement looks beyond the specific needs of the project itself; it may stipulate that the local government shall build or expand certain playgrounds and recreation buildings adjacent to the project and operate them for the benefit of the whole community, including the tenants of the housing authority.

The local government agrees to employ its police power to enable the local authority to comply (in case of projects aided by the U.S.H.A.) with the requirement that for every new standard dwelling unit it erects, one substandard dwelling unit shall be removed from the market either by improvement, closure, or demolition. Not infrequently, also, the local government agrees to furnish the local authority with technical, legal, or bookkeeping services.

Since the cooperation agreement—a *sine qua non* of every low-rent housing project—is evidence of the willingness of the local community to make the contribution required of it by the United States Housing Act, it follows that the local housing authority must convince the general public and the local government that its projects are in the public interest. In many communities the local governments have been willing to create housing authorities only with mental reservations as to specific projects or even only insincerely as immediate political expedients. Local authorities have invariably found it necessary to justify their efforts to civic groups, business groups, and individual members of the local governments in order to secure specific cooperation agreements. It has happened occasionally that sites selected for specific projects have not met with the approval of the public, the mayor, or the city council. Sometimes sites originally selected have had to be abandoned in favor of others. A few local authorities have even had their earmarkings withdrawn by the U.S.H.A., in whole or in part, because they have been unable to get the necessary cooperation agreements. The

judgment of the general public and of the local government as to the soundness of particular projects may be more valid, of course, than that of the local housing authority, in case it has not adequately informed itself. At any rate, each specific project has to be justified to those who must pass on the cooperation agreement, and therefore involves a successful educational program. Under the most favorable conditions this work is merely informational service; under the worst, it degenerates into political manipulation.

The cooperation agreement is the basic instrument between the local housing authority and the local government, but there are many other relations of a more routine nature. The planning commission, if there is one, is always consulted and its approval secured as to the site selected and its general layout. Federal, state, and local governments are naturally much concerned that large-scale, long-lived, residential developments shall conform to the best local and regional planning standards regarding street patterns, transportation and traffic, land use, and zoning. The local housing authority invariably submits architects' plans, both for general layout and individual buildings, to the local department of public works, the department of public safety, and other interested agencies for inspection and approval so that they will conform with the principles of good engineering and with the requirements of the local building code. Such review frequently entails extensive correspondence, many conferences, and considerable revision.

With the departments of public health and public safety the local authority works out its plan for equivalent elimination of unfit dwellings and the standards by which it scores dwellings in the process of selecting tenants from substandard housing. The department of public health is frequently offered space within the project for health facilities and clinics. The department of public welfare is continuously advised of the needs of site occupants and tenants, so

far as the housing authority may know them, and of available dwellings within the project (depending, of course, upon the policy of the authority with respect to the admission of relief recipients); in turn the department of public welfare often performs valuable services for the authority, such as providing the moving expenses of indigent site occupants and investigating the incomes of prospective tenants. The law department of the local government in some instances performs the legal work of the local housing authority, but in any case there must be close collaboration between the legal officers

of both agencies. Very often the recreational facilities provided by the housing authority for its tenants are operated by the local department of recreation. The school board invariably provides the normal educational opportunities to housing project children, and may extend its services even to adult groups. More rarely the local government treasurer and comptroller handle the funds and supervise the fiscal policies of the local housing authority. In short, there is hardly a single agency of local government with which the local authority does not have continuous and close relationships.

The Legislative Veto and the Reorganization Act of 1939

By JOHN D. MILLETT

Committee on Public Administration of the Social Science Research Council

and LINDSAY ROGERS

Columbia University

TO students of political science and public administration, a nice balance between legislature and executive has seemed a philosopher's stone for which they should search. In actual practice, a lack of balance between the two powers has not infrequently been a stumbling block in the way of legislative and administrative efficiency. That the two instruments of government should not and do not operate in separate and distinct fields of competence has long been obvious.

In part the problem has been to provide means for the necessary cooperation of legislature and executive in dealing with modern conditions while preventing that collusion which may be dangerous to men's liberties. In part it has been a search for devices which would enable each branch on occasion to speak decisively—thus congressional control of the purse and the executive veto.¹ Recently, as the complexity of

problems and the drain on legislative time have increased, a new device has been invented: a mandate to the executive to act, and, if the result is not liked, a *legislative veto*. It is this we propose to discuss with particular reference to the Reorganization Act of 1939.

When they drafted the Constitution, the "founding fathers" were more concerned to preserve "liberty" than to insure positive, dynamic government. Practice, the force of different personalities, and the circumstances of changing times have given concrete meaning to the tenuous relationships between legislature and executive provided in the Constitution. Few, however, would maintain that the relationships at any time have been altogether satisfactory. Nor have

¹Parenthetically we may note a recent attempt by Congress to limit the President's veto power. In 1940 Congress passed an act (H.R. 3233) repealing certain measures which had been pocket-vetoed by the President. The act provided that all measures pocket-vetoed after the adjournment of a session which was not the final session of Congress should be considered of no effect. Representative Hatton Sumners, chairman of the House Committee on the Judiciary, advocated this law upon the ground that a recent case of the Supreme Court, *Wright v. United States*, 302 U.S. 583 (1937), which held that the President could return a bill to the house of its origin during a recess by delivery to the secretary of the house, cast doubt upon the validity of pocket vetoes after the adjournment of what was not a final session of a Congress.

Representative Sumners had long argued that the constitutional provision about return of bills to Con-

gress by the President, unless prevented by adjournment, referred only to the final adjournment of a Congress. As *amicus curiae* he had urged this point of view upon the Supreme Court in the Pocket Veto Case of 1929, but the Court had construed the Constitution otherwise (279 U.S. 655). The President referred to this as answering the argument when returning H.R. 3233 without his approval. The President further pointed out that under the twentieth amendment it was impossible to foretell whether adjournment of the regular second session in the summer of even numbered years was the final adjournment of a Congress. The measure was regarded as an effort to limit the pocket veto power of the President which had been exercised for many years and even specifically upheld by the Supreme Court.

On the other hand, the President may sign bills within ten days after an adjournment of any session of Congress, in which instance the measure becomes law. See Lindsay Rogers, "The Power of the President to Sign Bills after Congress has Adjourned," 30 *Yale Law Journal* 1 (1920); and *Edwards v. United States*, 286 U.S. 482 (1932).

they been entirely satisfactory elsewhere. In Great Britain, for example, the balance between legislature and executive was long thought to be out of equilibrium because of the control which a Conservative cabinet could exert over its supporters in the House of Commons: a party machine pulled strings which made private member puppets go through the expected motions. Of recent years public opinion and the press have had more influence on cabinets and have changed them more frequently than has independent action by the House of Commons.

In times of national emergency the American Congress has shown itself competent to take quick action—usually by conferring broad powers of sublegislation upon the executive. In less acute situations Congress has seemed to delight in imposing restrictions upon executive discretion and in interfering with the conduct of administrative services.

What has been little appreciated and commented upon is the fact that divergent sectional, economic, and political (not to mention personal) interests manifest among the numerous members of a legislative body frequently make agreement a lowest rather than a highest common denominator. Moreover, legislatures inherently encounter difficulties when they endeavor to act upon complicated and controversial questions. Thus Congress decides that the rates charged by various carriers of interstate commerce shall be "reasonable" and that "unfair" methods of competition in interstate commerce shall be illegal, but more detailed definition under these broad declarations of policy must be left to administrative agencies. In the history of the enactment of tariff legislation we have a vivid indication of what happens when Congress tries to determine the details of a broad and complex subject.¹ Congress indeed has admitted its inability to handle tariff issues satisfactorily, first by giving the President under the acts

of 1922 and 1930 power to adjust rates under certain circumstances, and then more recently by authorizing the President to conclude reciprocal trade agreements modifying existing duties. Logrolling in legislative action has likewise been almost scandalously evidenced in the passage of river and harbor improvement bills.

The legislative practice of delegating broad powers to administrative bodies has been defended on a number of grounds—that it saves the time of legislatures, avoids the possible embarrassment of voting on details, utilizes the expert knowledge of administrators, and provides a better means for flexible adjustment to different circumstances than do detailed laws.² Some of our state and local legislatures have resorted to a modification of the practice of delegation by "incorporating by reference" into their own laws the standards of grain inspection or airport licensing, for example, determined by federal administrative agencies.

Legislative delegation has become so common a device and has been utilized so widely in recent years as legislatures have been called upon to meet ever more complex situations that now it is said we confront a "new despotism." "No further delegation to the executive" has become a popular rallying cry in a time when dictatorship is said to be a real possibility. It does not matter that the slogan, like all slogans, is oversimplified and has little meaning. On one occasion already in our legislative history, when the reorganization bill of 1938 was recommitted, that slogan's power to defeat much-needed reform has been demonstrated.

But out of that defeat came, with respect to this subject of legislation, a new relationship between legislature and executive under the American system of government. An innovation with possibly far-reaching implications may have taken place. For one subject upon which executive and legisla-

² Cf. Frederick F. Blachly and Miriam E. Oatman, *Administrative Legislation and Adjudication* (The Brookings Institution, 1935).

¹ See E. E. Schattschneider, *Politics, Pressures, and the Tariff* (Prentice-Hall, 1935).

ture must agree—the organization of the administrative branch of the government—a new balance has been struck. The *legislative veto* of acts of the executive has pointed to an answer to the dilemma between the demand for no further delegation of unlimited power and the need for legislative action upon matters whose controversial details threaten to prevent any action at all.

The Reorganization Act of April 3, 1939, provided that the President might within limits reorganize administrative agencies if either the House or Senate approved, or, to put it more accurately, refrained from objecting. In other words, Congress, which in ordinary circumstances must vote "yes" in order to enact measures into law, has provided that reorganization proposals shall become effective if one branch refuses to say "no." Both houses must say "no" in order to "veto" reorganization. Where did this device originate? How has it worked? Can it be used for other subjects of legislation?

I

PRESIDENT HOOVER had seen that the Congress was either unable or unwilling to decide upon needed executive reorganization. In his message of December 3, 1929, he cited the failure of congressional efforts over a period of two decades and requested that the power to act be conferred upon him "with the reservation of power of revision by Congress." But what measure of power should Congress retain and how should it exercise it? Over this there was a continuous and sometimes acrimonious difference of opinion.

In the Overman Act,¹ passed on May 20, 1918, Congress had given President Wilson rather complete authority to redistribute agencies whose activities were important in connection with the prosecution of the war. It gave this authority without strings. Mr. Wilson was simply to "report" the actions which he took. They were neither numerous

nor spectacular although the statute was of considerable significance in enabling the President to give sufficient authority to some of the emergency agencies. To President Hoover, Congress was unwilling to give such a blank check. It ignored his message of 1929 until the Economy Act of June 30, 1932, which, in transferring the initiative to the President, provided that executive orders regrouping and consolidating agencies were to lie before Congress while it was in session for sixty days before becoming effective. Within that time either house of Congress might by resolution disapprove of the orders in whole or in part. A Democratic House of Representatives said "no" and thus Congress disapproved all of President Hoover's executive orders—eleven in number.

On the eve of his inaugural President Roosevelt received authority within a broader scope to reorganize federal administration. The Economy Act of March 3, 1933, provided that executive orders should lie before Congress while it was in session for sixty days and did not specify any method of voicing disapproval. Presumably, a joint resolution by both houses of Congress would have been necessary in order to disapprove an executive order; and the joint resolution would have had to go to the President for his signature. If (the contingency was remote) the President had vetoed a resolution disapproving his executive order, a two-thirds vote of each house would have been necessary to make congressional opinion effective. Hardly more than a fortnight later, the Economy Act of March 20, 1933 (the titles now strike a melancholy note) eliminated the provision that executive orders had to lie before Congress for sixty days *while Congress was in session*. President Roosevelt submitted his most important changes under this authority on June 10, 1933, just six days before Congress adjourned. Sixty days later the executive order became effective. There were later executive orders, but all dealt with minor matters.

¹Cf. the text and some discussion in W. F. Willoughby, *Government Organization in War Time and After* (D. Appleton and Co., 1919), p. 6.

The grant of power to the President was for a two-year period only. From 1935 on he could not act. In January, 1937, his Committee on Administrative Management proposed that power again be conferred upon the President to reorganize agencies. Bills introduced into the Senate and House of Representatives provided that executive orders accomplishing reorganization were to lie before Congress while it was in session for sixty days, within which time Congress might express disapproval by joint resolution. But the spectacular congressional battle over the President's recommendation that the membership of the Supreme Court be enlarged sidetracked consideration of administrative reorganization.¹

When a comprehensive reorganization bill was brought up in 1938, a new atmosphere of distrust and hostility toward the President was evident. Passed in the Senate by a narrow margin, the bill encountered strong opposition in the House of Representatives. In an effort to stave off defeat there were last minute concessions limiting the power of the President. Thus House leaders accepted the Kniffin amendment, which substituted procedure by concurrent resolution as the means for expressing congressional disapproval of executive reorganization. Nonetheless, the bill was recommended by the House on April 8, 1938, by a vote of 204 to 196.

A considerably modified reorganization bill introduced into the House of Representatives on February 23, 1939, still proposed to give the President authority to determine (save for exempted agencies) the details of administrative changes. These changes were to be set forth in *plans* which before becoming effective were to lie before Congress while it was in session for sixty days. Within that period Congress might express its disapproval of a reorganization plan by concurrent resolution. The author-

ity conferred upon the President was to expire in January, 1941. This time with only minor changes the bill became law. In effect Congress gave power to the President which it had refused to confer a year before, but it retained checks which were more extensive than those of the 1933 acts.

II

WHILE it is true that the act of April 3, 1939, followed the pattern of its predecessors, it embodied features which were new to reorganization history and which, as has been said, marked important legislative innovations. The new features were four in number: presidential reorganization proposals were to be embodied in *plans*, not *executive orders*; these plans might be disapproved by Congress by concurrent resolution; the rules of procedure for legislative consideration of the plans were included in the law; and the plans as submitted could be disapproved only in their entirety.

The designation of the form in which the President was to submit reorganization details to Congress was changed principally to suggest that the President was to act not in an executive capacity but as a legislative instrument. On the floor of the House of Representatives Mr. Cox of Georgia explained the matter thus:

Everyone frankly concedes that executive departments of the Government should be reorganized. Congress would probably undertake the task had it facilities for working out essential details. Here draft is made upon the services of the official who is in the best position to serve congressional needs. The President is designated as the agent to do the work, and heretofore there has been no serious objection to his being entrusted with the duties created by the bill. We must use his services if we are to get desired results. This is an intelligent approach to the solution of the problem.²

The concept that the President would act as an agent of Congress was intended in part to meet the charge that the legislature was surrendering its power to the Chief Executive, but the answer was one of shadow

¹ Cf. Joseph P. Harris, "The Progress of Administrative Reorganization in the 75th Congress," 31 *American Political Science Review* 862 (1937).

² 84 *Congressional Record* 2375 (1939).

rather than substance. Moreover, the new terminology was intended to quiet the constitutional doubt whether Congress could by a process other than a formal act of legislation nullify action of the President. Some lawyers have maintained that an executive order stands or falls as an expression of inherent executive authority and that Congress cannot constitutionally reserve the power to disapprove it. Such a point of view, for example, was expressed by Attorney General William D. Mitchell in an opinion concerning the Economy Act of 1932.

It must be assumed that the functions of the President under this act were executive in their nature or they could not have been constitutionally conferred upon him, and so there was set up a method by which one house of Congress might disapprove Executive action. No one would question the power of Congress to provide for delay in the execution of such an administrative order, or its power to withdraw the authority to make the order, provided the withdrawal takes the form of legislation. The attempt to give to either House of Congress, by action which is not legislation, power to disapprove administrative acts, raises a grave question as to the validity of the entire provision of the Act of June 30, 1932, for Executive reorganization of governmental functions.¹

If, constitutionally, Congress could not disapprove reorganization proposals when embodied in executive orders, then perhaps it might properly reserve the power to disapprove *plans*. The issue of constitutionality versus unconstitutionality has in the past been determined by differences no more substantial than mere phraseology.

A second important feature of the act was the provision that Congress might disapprove of a presidential plan of reorganization by concurrent resolution. Article I, section 7, clause 3 of the Constitution of the United States stipulates that "every order, resolution, or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall

be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of a bill."

As a matter of practice Congress has resorted to the device of passing concurrent resolutions which are not sent to the President for his approval, but as was pointed out in the House of Representatives "concurrent resolutions concern only intracongressional functions and do not have the effect of law." In 1896 the Senate Committee on the Judiciary was asked to express an opinion on the use of concurrent and joint resolutions, and in a report dated January 27, 1897, the committee stated:

We conclude this branch of the subject by deciding the general question submitted to us, to wit, "whether concurrent resolutions are required to be submitted to the President of the United States," must depend not upon their mere form but upon the fact whether they contain matter which is properly to be regarded as legislative in its character and effect. If they do, they must be presented for his approval; otherwise they need not be. In other words, we hold that the clause in the Constitution which declares that every order, resolution, or vote must be presented to the President, to "which the concurrence of the Senate and House of Representatives may be necessary," refers to the necessity occasioned by the requirement of the other provisions of the Constitution, whereby every exercise of "legislative powers" involves the concurrence of the two Houses; and every resolution not so requiring such concurrent action, to wit, not involving the exercise of legislative powers, need not be presented to the President. In brief, the nature or substance of the resolution, and not its form, controls the question of its disposition.²

Admittedly, a concurrent resolution could not embody legislation and was without the force of law. Could such a resolution be used to disapprove presidential reorganization? President Roosevelt in 1938 had expressed the opinion that it could not. The reorganization bill of that year as it passed the Senate had authorized the President to submit to Congress reorganization proposals in the form of executive orders which

¹37 Op. Atty. Gen. 63-64.

²Quoted in 84 *Congressional Record* 2478 (1939).

were subject to disapproval by joint resolution. President Roosevelt defended this provision in his famous statement of March 31 disclaiming any dictatorial inclinations or qualifications by explaining that a concurrent resolution was "only an expression of congressional sentiment. Such a resolution cannot repeal executive action taken in pursuance of a law."¹

There was obviously a practical reason why Congress preferred to disapprove executive reorganization by concurrent rather than joint resolution. Since the latter was subject to presidential veto, a two-thirds vote in both houses might be necessary in order to make congressional disapproval of reorganization effective. It did not matter that President Roosevelt had said in 1938, "I would, in the overwhelming majority of cases, go along with carefully considered congressional opinion," a half promise not to use his veto power. There was still the possibility of veto in those few cases where the President might not agree with Congress.

The proponents of the 1939 legislation were determined that a simple majority of both houses should be able to disapprove the reorganization proposed by the President. No one even suggested that the President's 1938 statement about the ineffectiveness of a concurrent resolution was no longer applicable, since he had then spoken of congressional disapproval of executive orders and not of reorganization plans. The constitutional doubt was disregarded in order to accomplish a simple, definite objective.

Senator Wheeler, however, proposed an amendment to the 1939 bill providing that a presidential plan of reorganization should not become effective unless *approved* by a joint resolution, which was to be voted upon ten days after it was introduced, without reference to a committee, without being subject to amendment, and without a motion to reconsider being in order. The

Wheeler amendment was adopted by the Senate on March 21 by a vote of 46 to 43. But a motion to table a motion to reconsider was lost, 44 to 44, and after further parliamentary maneuvering on the next day the amendment was eliminated.

The Wheeler amendment was unacceptable to the determined advocates of reorganization for two reasons, one tactical and the other psychological. The bill as it became law made the President's reorganization plans subject to *disapproval* by concurrent resolution of both houses of Congress. The Wheeler amendment would have required a vote of *approval* of the President's plans by joint resolution. In either event a simple majority in both houses could defeat the proposed reorganization. The essential difference between the procedure adopted and that advocated by Senator Wheeler lay in the fact that in the event of an attempted vote of *disapproval* by concurrent resolution a disagreement between the House and the Senate made the reorganization plans of the President *effective*. Under the Wheeler amendment a disagreement between the two houses would have meant that the President's plans were *ineffective*. As the bill became law, a majority of one house could make the plan effective. Under the Wheeler amendment a majority of *both* houses was necessary.

This aspect of the procedure excited some comment in both the House and the Senate. The objection was succinctly stated by Senator Bone when he remarked, "I should like to ask the Senator if this proposal, so far as he knows, is the only departure from the traditional parliamentary procedure, which requires the assent of both Houses of Congress before any principle becomes embalmed in law. This is the first time I have ever heard of a bill becoming law without the assent of both Houses of Congress."

To this challenge Senator Byrnes replied by reversing the proposition. "No one House," he declared, "should have the right [to prevent a reorganization plan from becoming effective]. Congress speaks not by

¹Cf. Lindsay Rogers, "Reorganization: Post Mortem Notes," 53 *Political Science Quarterly* 161 (1938). These notes might well have been entitled "Ante Natal" (LR).

one House but by concurring action of both Houses." He likened disapproval of a reorganization plan to a bill or resolution repealing an existing law, which needed the positive action of both houses. While this argument was certainly ingenious, it did not indicate the real point of contention, which was the extent to which it was desirable to strengthen the authority delegated to the President. The result of the procedure actually adopted, as was later to be demonstrated, was to improve the possibility that the President's plans would become effective.

The other defect of the Wheeler amendment, psychological in character, cannot be conclusively demonstrated. Congressmen, however, are perhaps influenced by the nature of the opinion that they are called upon to express. Members who might hesitate or even refuse to cast a positive vote of *approval* of a reorganization plan submitted by the President, might on the other hand be willing to refrain from voting *disapproval* of the President's action. This difference conceivably could be crucial. A disinclination to vote affirmatively for a reorganization plan would prevent it from becoming effective. Under the procedure adopted a reluctance to express disapproval—even absence—might mean that reorganization would be accomplished.

A third unique feature of the Reorganization Act lay in the legislative rules which were written into it. If Congress was to retain the right to disapprove presidential plans by concurrent resolution, and that right was to amount to more than pious phraseology, then it was necessary to insure that both houses had an opportunity to express their opinion about a plan within the allotted sixty days. Tactics of delay or obstruction by the house leadership or by an individual senator would have the effect of preventing disapproval.

Accordingly, part 2 of title I of the act included legislative rules of procedure whereby both houses were to consider a concurrent resolution of disapproval intro-

duced by any member. In section 21 it was explained that the subsequent provisions were enacted as an exercise of the rule-making power enjoyed separately by both the Senate and House of Representatives. The next section provided the exact words in which a resolution of disapproval might be moved: "That the Congress does not favor the reorganization plan No. —, transmitted to Congress by the President on —, 19—." Such a resolution was to be referred to committee, but if the committee did not report within ten days after the receipt of the resolution, an order to discharge the committee from further consideration would be in order. The discharge motion was made highly privileged and debate thereon was limited to one hour. After the committee reported or was discharged, a motion to consider the concurrent resolution was likewise made highly privileged and not debatable. Debate on the resolution itself was limited to ten hours, to be divided equally between those favoring and those opposed to the resolution. These rules of procedure applied to both the Senate and House of Representatives.

In the Senate Mr. Bailey remarked that the bill "provides for cloture contrary to all the rules the Senate has heretofore had respecting the imposing of cloture. It is cloture by majority vote. I do not know that we ever did such a thing before. Is that not a great offense against the precedents of the Senate, I ask the Senator from South Carolina?" Mr. Bailey was not answered. The rules embodied in the law did provide for cloture in the Senate, since debate on a resolution of disapproval was limited to ten hours. But the purpose of the cloture in this instance met with no opposition. Without such a limitation on debate a minority might have prevented a majority hostile to the President's plan from voting its disapproval. No senator cared to defend the desirability of such a situation, regardless of precedents. Hence disapproval by a Senate majority could not be delayed by a filibustering minority which favored a reorganization

plan coming from the President. This procedure is less cumbersome than that required to override a filibustering minority wishing to defeat legislation desired by the President or by Senate leaders.¹

Fourthly, by expressly providing the words in which a concurrent resolution of disapproval was to be moved, the act had the effect of requiring Congress to accept or reject a plan of the President *in toto*. Senator Byrnes explained that a resolution disapproving parts of a reorganization plan might be moved in either house, but that such a resolution would not have the privileged status accorded a resolution moved in the exact words of the act. Only a resolution moving that a reorganization plan be disapproved in its entirety was assured of coming to a vote in both houses within the sixty-day time limit.

III

IN THE period from April, 1939, to December, 1940, the President submitted five reorganization plans to Congress. All became effective, although under various circumstances. Reorganization Plan No. I, which, *inter alia*, set up three new major groupings of activities (the Federal Security Agency, the Federal Works Agency, and the Federal Loan Agency), was sent to Congress on April 25, 1939. The next day Mr. Taber, the ranking Republican member of the House Select Committee on Reorganization, introduced a resolution of disapproval. A week later the chairman of the committee, Mr. Cochran, announced that the Taber

¹Under Rule XXII of the Senate sixteen members may take steps to initiate cloture by signing a motion to bring debate to a close. The question must then be put one hour after the Senate meets on the following calendar day but one. If the motion to close debate is carried by two-thirds of those voting on it, the measure before the Senate becomes unfinished business to the exclusion of all other matters. No senator thereafter is entitled to speak for more than one hour, and except by unanimous consent no amendment is in order unless presented before the motion to close debate was adopted. No dilatory motions are in order.

Obviously debate could still proceed for a maximum of ninety-six hours, even if a two-thirds vote in favor of limiting debate was obtained. By way of contrast, Senate limitation on debate in reorganization matters is real limitation.

resolution would be reported and called up for consideration on the following day. The debate in the House on May 3 revealed that opposition to the reorganization plan was essentially partisan and not widespread. The careful calculation of details so as not to arouse legislative hostility had been successful. After only a short debate using less than half the ten hours allotted by the law, the resolution of disapproval was defeated by a vote of 265 to 128. The action of the House made consideration of the plan by the Senate unnecessary.²

On May 9, 1939, President Roosevelt sent Reorganization Plan No. II to Congress. The plan shuffled a number of activities and offices from one agency to another. This time no resolution of disapproval was immediately presented to the House. Instead, Mr. Byrnes, a friend of the plan, introduced in the Senate a resolution of disapproval and had it reported adversely by the Senate Select Committee on Government Organization, of which he was chairman. The resolution was defeated in the Senate on May 12 without debate and without a record vote. Thus it was guaranteed that Plan No. II would become effective.

Nevertheless, on May 16 Senator Byrnes introduced a joint resolution providing that Reorganization Plans No. I and No. II should go into effect on July 1, 1939. In presenting the resolution to the Senate three days later he explained that the purpose was one purely of bookkeeping convenience. The resolution would retard by one week the effective date of Reorganization Plan No. I and advance by one week the effective date of Reorganization Plan No. II. By making the effective date July 1, 1939, the accounts for the new organization structure could be set up on the first day of a new fiscal

²The provisions of Reorganization Plan No. I insofar as they affected the Executive Office of the President were supplemented by Executive Order No. 8248 on September 8, 1939. The incident suggested the possibility that executive orders might be used to fill in details of reorganization plans, but it is not conclusive because the arrangement of activities in the President's immediate office is peculiarly his own province, and Congress has usually been quite willing to leave the matter entirely to presidential discretion.

year. The Senate and the House both passed the resolution without debate and it was sent to the President for his signature. Although nothing was said about the matter at the time, in passing the joint resolution both houses of Congress gave affirmative approval to the first two reorganization plans. This factor might be important if perchance at some later time the procedure whereby Congress retained the right to disapprove plans by concurrent resolution should be attacked in the courts.¹

President Roosevelt sent Reorganization Plan No. III to Congress on April 2, 1940, and followed it with Plan No. IV on April 11. Of the proposed shifts of activities among several agencies, the one affecting the Civil Aeronautics Authority excited particular attention. The C.A.A. was one of the few so-called "independent" agencies not exempt from the President's power to reorganize. Plan No. III, in part, transferred from the Authority to the Administrator of Civil Aeronautics, an official responsible to the President, certain activities which he already exercised at the Authority's instance. Plan No. IV was more far reaching. A separate three-man Air Safety Board responsible for investigation of air accidents was abolished and its functions transferred to the Civil Aeronautics Authority, thereafter to be called the Civil Aeronautics Board. Both the Administrator and the new Board were transferred to the Department of Commerce, but it was specifically stated that the Civil Aeronautics Board was to exercise its rule-making, adjudicative, and investigative powers independently of the Secretary of Commerce.

Senator McCarran of Nevada, sponsor in the Senate of the Civil Aeronautics Act of 1938 which had created the Authority, Administrator, and Air Safety Board, promptly

introduced resolutions to disapprove both Plans No. III and No. IV. In the House, Representative Lea of California, co-sponsor with Mr. McCarran of the 1938 legislation, submitted on April 24 a resolution to disapprove Reorganization Plan No. IV. In the meantime a number of groups, including the American Federation of Labor, became vocal in their opposition to the transfer of the C.A.A. and the abolition of the Air Safety Board. In the van of the fight was the Air Line Pilots Association. It was argued that the move would sabotage the excellent air safety standards that had been achieved and that Department of Commerce "politics" would interfere with the Authority's functioning. Newspapers generally throughout the country also attacked Plan No. IV. On the other hand, the President vigorously defended the plan in a press conference and denounced the "flood of misinformation" about its purpose.

In neither house of Congress were the resolutions of disapproval reported from committee within the ten-day limit provided in the Reorganization Act of 1939. The absence from Washington first of Senator McCarran and then of Senator Byrnes delayed Senate action, and in the meantime House leaders were disposed to await the Senate's decision. Finally, it was agreed by congressional leaders that the House would consider a resolution of disapproval first. On May 7, 1940, Representative Lea moved the House Select Committee on Reorganization be discharged from further consideration of his resolution expressing disapproval of Reorganization Plan No. IV. Mr. Cochran, the committee chairman, was agreeable; he had thus avoided an expression of committee opinion on the plan. By unanimous consent debate on the resolution was limited to three hours. The next day the House by a vote of 232 to 153 expressed its disapproval of Plan No. IV.

On May 9 the Senate Select Committee on Government Organization began public hearings upon Senator McCarran's resolution to disapprove Plan No. IV. With the

¹See *Isbrandtsen-Moller Company, Inc. v. United States*, 300 U.S. 139 (1936) and *Swayne-Hoyt v. United States*, 300 U.S. 297 (1936). The Supreme Court refused to consider the constitutionality of the reorganization procedure of 1933 upon the ground that by subsequent appropriations, as well as by the Merchant Marine Act of 1936, Congress had given its approval to the changes made by the President.

promise of prompt action Mr. McCarran agreed to await the committee's report and did not carry out his threat to move the committee's discharge. The reorganization plan was defended before the committee by the Director of the Budget and attacked by two members of the Air Safety Board. The chairman of the C.A.A. and the Administrator were on the whole noncommittal. The hearings revealed something of the clash of personalities which had occurred within the Air Safety Board as well as the duplication of activity between the Board and the Authority. At the end of the second day of hearings, the Senate committee by a vote of 5 to 3 adopted an unfavorable report upon the resolution of disapproval.

When the Senate began consideration of the McCarran resolution on May 13, 1940, Senator Barkley, the majority floor leader, pointed out that ten hours was the maximum time permitted for discussion. This, for the Senate, was a unique experience. Save under the Reorganization Act, such cloture would be possible only by unanimous consent. A proposal to set an hour on the next day for a vote on the resolution met objection, but later by unanimous consent the Senate agreed to limit the debate to eight hours and then, still later, to vote at four o'clock on the next afternoon.

There is one further aspect of the Senate procedure which warrants mention. The Reorganization Act of 1939 provided that the time for debate in each house should be divided equally between proponents and opponents of a resolution disapproving a reorganization plan. Unlike the House of Representatives, the Senate is not accustomed to designating a single member on each side of a question as the controller of time for debate. Two different efforts by Senator Barkley to obtain unanimous consent that Senator McCarran control the time of opponents were unsuccessful. Each speaker was asked at the beginning to state which side he favored, but there was no formal way of limiting the duration of his remarks. Actually, there was an unofficial

understanding among the senators participating in the debate about how long each was to speak.

According to the provisions of section 27 (b) of the Reorganization Act, the concurrent resolution already passed by the House was automatically substituted for the McCarran resolution of disapproval when the roll was called. By a vote of 46 to 34 the Senate rejected the House resolution of disapproval. Since the Senate and House disagreed about the desirability of Reorganization Plan No. IV, the plan was to become effective sixty days after its submission to Congress.

Unquestionably the course of events abroad had much to do with the final vote in the Senate on Plan No. IV. Indeed it is likely that had a vote in both houses of Congress been taken within two weeks after its submission, the plan would have been disapproved. But on May 10, 1940, the armed forces of Germany invaded Holland and Belgium. The immediate Nazi successes shocked the American people, and public opinion began to rally behind the leadership of the President. At the same time came the realization that these events made it probable that Mr. Roosevelt would be a presidential candidate for a third term. Whatever may have been the theory of agency embodied in the Reorganization Act, the prestige of the President was directly involved when the vote on Plan No. IV was taken. A majority of the Senate swung behind the leadership of the President in the mounting crisis over the nation's own security. After the failure of the Senate to disapprove Reorganization Plan No. IV no efforts were made to demand a vote on Reorganization Plan No. III. In consequence, that plan became effective without either house considering a resolution to disapprove it.

On May 22, 1940, President Roosevelt submitted Reorganization Plan No. V to Congress, providing solely for the transfer of the Immigration and Naturalization Service from the Department of Labor to the

Department of Justice. The move, the President explained, was made desirable by the wish to bring about "more effective control over aliens." It was a step to combat possible "fifth columns" in the United States. Because it then seemed unlikely that Congress would be in session sixty calendar days after the plan's submission as required by the act in order for it to become effective, the President expressed the hope that Congress would take the necessary action to "permit this plan to go into effect."

After a short debate and without a record vote, the House of Representatives on May 27 approved a joint resolution making Reorganization Plan No. V effective ten days after enactment of the resolution. In the Senate on May 31 Mr. Byrnes brought up the House resolution and proposed a committee amendment providing that Reorganization Plans Nos. III and IV should go into effect on June 30, 1940. He explained that under the provisions of the Reorganization Act, Plan No. III would become effective on June 2 and Plan No. IV on June 11. Reasons of bookkeeping convenience made it desirable to postpone the effective date until the end of the fiscal year. The amendment was unanimously accepted without debate. After a short debate on Reorganization Plan No. V, the Senate passed the joint resolution by a vote of 55 to 4, the House quickly concurred in the amendment, and the measure was sent to the President for his signature.

IV

WHAT is the importance of the legislative procedure used to accomplish administrative reorganization? It lies in the fact that Congress admitted that on this important matter the President should have his way unless congressional opinion was definitely negative—that is, if the President was unable to carry with him at least a majority of one house. Under our scheme of government—rather, under our practice—the basic framework of administrative structure has depended upon the action of Congress. The

President has only such power over administrative organization as Congress by law confers upon him. Efforts in the past amply demonstrated that Congress could not reorganize activities, because as soon as the "pet" agency of a committee or an individual congressman was touched, it or he became hostile to all proposals of change in order to save a particular charge. Congress could agree upon the desirability of reorganization in theory, but not upon the specific details.

Hence in the United States the President has been under handicaps which did not face the chief executives of other states which maintained free institutions. A British cabinet has always been able to obtain any kind of administrative reshuffling which it desired. Much can be done by Treasury Minutes. If legislation is necessary, the Government announces its intention, confident that Parliament will approve. Indeed the complaint in Great Britain recently has been that the cabinet was perhaps fatally laggard in proposing a Ministry of Supply with real powers and in the coordination of departments dealing with economic activities. In France, despite the usual subservience of cabinets to the Chamber of Deputies, prime ministers always had a free hand in determining the number of players they would have on their ministerial teams.

The President of the United States can obtain full and continuing authority over administrative organizations only by act of Congress. Except for emergency activities, Congress has had no inclination to transfer such power. The necessary delegation of legislative authority would be unpalatable to many members of Congress and to many local elements of the body politic. The Reorganization Act of 1939 points a way out of this specific impasse. Within certain limits upon agencies and time, the President was given power to reorganize the administrative arm of the government. Congress determined the broad policy—that executive agencies be regrouped and consolidated according to major purpose—but left the de-

tails to the President. There was no basic disagreement about the need for reorganization: Congress simply could not agree upon the specific changes which were desirable. This decision was accordingly left to an agent, the President, whose determination was made subject to legislative veto. If in other instances outright delegation of legislative power to some agent seems undesirable, why cannot a similar procedure be used?

V

IN England grants of power in certain matters have long been conferred upon local authorities by a procedure similar to that we are discussing. After investigation a government department may make a provisional order permitting a local authority to perform or not perform a certain act. These provisional orders are later introduced into Parliament in an omnibus bill. If there is any opposition to a particular grant of power, Parliament has an opportunity to defeat it and thus revoke the provisional order.¹

In at least two notable instances Parliament has resorted to the same kind of procedure in dealing with matters of national interest. By the Church of England Assembly (Powers) Act of 1919, the Church of England Assembly was empowered to frame any legislation it thought desirable concerning the Church of England. A specific measure, however, does not become effective until it has been approved by both houses of Parliament, and Parliament must accept or reject the measure *in toto*. Again, in 1934, the Unemployment Assistance Act empowered the Unemployment Assistance Board with the approval of the Minister of Labour to frame scales of allowances for the relief of the unemployed. While these scales do not become effective until approved by both houses of Parliament, they can be accepted or rejected only as a whole. In neither instance can Parliament directly modify or

¹But Parliament rarely does so. See W. Ivor Jennings, *Parliament* (Cambridge: at the University Press, 1940), pp. 458 ff.

amend the proposals submitted to it.²

If certain details of any plan are objectionable, a legislature can disapprove all of it. Then the executive or other agency which framed the plan can modify the objectionable details and submit it again. Or a legislature can accept the program with the expectation of changing the undesirable parts by later substantive legislation. Here is an adequate guarantee that the legislature's point of view will be considered when it delegates authority to another branch of the government or to a specially constituted agency.

VI

IN THE United States, Congress has occasionally freed itself of troublesome problems by devices not unlike that of the reorganization acts of 1933. After nine years of disagreement about the reapportionment of seats in the House of Representatives following the census of 1920, Congress by act of June 18, 1929, provided that after completion of the 1930 census and every census thereafter the President should transmit to Congress a statement showing the number of seats each state was entitled to under an apportionment of the existing 435 seats according to each of three specified formulas. If Congress failed to pass an apportionment bill, then each state was automatically to be entitled to the number of representatives under the formula used in the last apportionment. The 1930 reapportionment of seats was accomplished under the automatic provision.³

²Cf. John D. Millett, *The British Unemployment Assistance Board* (McGraw-Hill Book Co., 1940).

³The 1929 law provided that the President should transmit his statement on apportionment to the second regular session of the 71st Congress (which would meet in December, 1930) and to the second regular session of every fifth Congress thereafter. In 1939 President Roosevelt called attention to the fact that as a result of the adoption of the twentieth amendment the second regular session of the 76th Congress would meet in January, 1940, three months before the census count would be taken, and that hence he would be unable to transmit an apportionment statement to that session of Congress. In 1940 Congress passed a bill providing that the apportionment statement should be submitted to the first regular session of the 77th Congress (meeting in January, 1941), and to the first regular session of every fifth Congress thereafter. Public No. 482, 76th Congress, 3d Session.

In 1934 an important measure was passed which caused no exacerbation of legislative, executive, or for that matter judicial feelings, and attracted no fanfare of public interest. Few save lawyers know about it. While the Supreme Court of the United States had power to frame the rules of procedure for cases in equity coming before the district courts, it had no such authority to frame rules governing actions in law. The Conformity Act of 1872 provided that each federal district court should follow the code of procedure for actions in law which was in force in the state in which the district court was located. From 1912 on the American Bar Association and other groups made continued efforts to induce Congress to confer upon the Supreme Court the power to frame uniform rules for equity cases and cases in law.

Upon the recommendation of Attorney General Cummings, Congress, by act of June 19, 1934, authorized the Supreme Court to prescribe uniform rules for both cases in equity and actions in law, so that one form of civil procedure would prevail in all the district courts of the United States. This delegation of power was accompanied by the restraint that "such united rules shall not take effect until they shall have been reported to Congress by the Attorney General at the beginning of a regular session thereof and until after the close of such session."

To do the actual work of preparing the uniform rules the Supreme Court appointed an advisory committee headed by former Attorney General William D. Mitchell. The result of three years of study and negotiation was transmitted by the Chief Justice of the United States to the Attorney General on December 20, 1937, and submitted in turn by him to both houses of Congress on January 5, 1938. Hearings before the House Committee on the Judiciary resulted in a slight change in the rules to meet the fears of counsel for organized labor. The changes were made by the advisory committee after direct consultation with labor counsel as re-

quested by the House committee. Thereafter, the House committee recommended that the rules be permitted to become effective.¹ The absence of any further action by either house served this purpose.

No particular comment was made in the hearings or elsewhere about the procedure used in framing the uniform rules. The delegation of such authority to the Supreme Court was not questioned as a "surrender" of legislative power to the judiciary. Leaders of the bar and of Congress accepted the desirability of leaving the details of the uniform rules to the Supreme Court. But by requiring that the rules be submitted to it before becoming effective, Congress kept for itself the power of review.

In 1940 the same procedure was embodied in a law directing the Supreme Court to prescribe rules of pleading, practice, and procedure for criminal cases before federal district courts. The concluding limitation provided that "such rules shall not take effect until they shall have been reported to Congress by the Attorney General at the beginning of a regular session thereof and until after the close of such session, and thereafter all laws in conflict therewith shall be of no further force and effect." These final words, making clear that the Supreme Court has been given authority to modify as it sees fit any existing laws on criminal procedure, confirm the broad delegation of power granted by the act, but as in the instance of the rules of civil procedure, the opportunity is afforded for legislative veto of the rules drafted by the Court. A joint resolution of disapproval might be passed at any time during the session at which the rules are submitted.

VII

IN MORE and more fields where Congress cannot, or should not, determine details, it may be desirable to retain the possibility of legislative veto when delegating power to either the executive or the judiciary. Then

¹ House of Representatives Report No. 2743, 75th Congress, 3d Session, June 13, 1938.

fears about the consequences of "unlimited delegation" may be allayed. Indeed, it is fairly safe to say that whenever Congress decides that the federal budget should be balanced by curtailing expenditures, for both reasons of administration and of politics, the details will have to be left to the executive. So much has been admitted by Senator Byrd, an implacable critic of President Roosevelt, who told the Senate in 1939:

It is an obvious fact that substantial retrenchment can best come by Executive leadership. Congress must act upon the Budget as submitted by the President. The Budget is coordinated and inclusive of all governmental functions. Economy and retrenchment effected in the Budget stand a much better opportunity of passage by Congress as a proper and careful preparation of the Budget can balance any economies made so as to create a minimum of disturbance.¹

If the legislature wishes to insure that it will have an opportunity to express an opinion upon the exercise of discretion by those who fill in the details of a legislative mandate, then the legislature ought to include in the original law some reservation similar to that of the Reorganization Act of 1939. It is not enough merely to provide that the scheme of details be laid

¹84 *Congressional Record* 2907.

before Congress; the obstructionist tactics of a minority might then be able to block an expression of congressional opinion. Moreover, if the legislature provides that executive proposals shall be subject to disapproval by concurrent resolution rather than to approval by joint resolution, it will increase the possibility that the action of the executive will become effective, and will at the same time enable the rejection of proposals that are ill advised. Thus would be realized a "nicer balance" between legislature and executive, which at the outset we suggested was the philosopher's stone for which to search. Under our form of government the instruments available to the executive for providing legislative leadership are meager and faulty enough; a "nicer balance" can be attained only by strengthening the executive's position.

Nor is there any reason to open the way for legislative modification of parts of an executive plan. The proposal as a whole should be voted on: is it acceptable or unacceptable? To permit amendment would be to nullify the very purpose of the entire procedure—to remove the details of controversial subjects from the arena of legislative bickering and indecision.

Central Control of Local Authorities in Ireland

By ARTHUR W. BROMAGE

University of Michigan

THE trend of central-local relations in the Irish Free State (1921-1937) and Eire (Ireland) since 1937 has been decidedly toward increased central control over local authorities.¹ A highly integrated series of administrative controls has been centered in the Local Appointments Commission and in the Department of Local Government and Public Health. The former has charge of the recruitment of executive, professional, and technical officers for local units; the latter regulates questions of remuneration, superannuation, discipline, and removal. In addition, the Department has come to have a broad jurisdiction including combined purchasing; fiscal controls as to accounting, auditing, and surcharging; administration of grants-in-aid; and drastic powers of dissolution. This system of pervasive power extends to all basic units of Irish local administration: county boroughs, administrative counties, boroughs, urban districts, boards of public assistance, and towns.

When the Free State was established, an unwary prophet might have predicted that the growth of central-local relations would be in the direction of decentralization. The first decades of the twentieth century in Ireland were marked by a deep-rooted antagonism between elective county councils and the English Local Government Board for Ireland. During the nineteenth century the landlords, through their representation on the grand juries appointed by the sheriffs, had controlled the revenues and admin-

istration of the counties. After the epochal act of 1898 made county councils elective, primary control of the counties passed from the landlords to the peasants and tenants. But the power of the Ascendancy held on through the multitudinous administrative devices of the Local Government Board for Ireland, whose chairman was the chief secretary to the Lord Lieutenant of Ireland. Thus there was injected into central-local administrative relationships in the first two decades of this century the bitter strife between locally representative, nationalistic county councils and the bureaucratic, anti-nationalistic Local Government Board for Ireland. This animosity was expressed in 1919 when Dail Eireann in defiance of English authority set up a Local Government Department to which many local authorities in the south of Ireland pledged their allegiance. Subsequently, when the Free State became a reality, the new Irish Department of Local Government and Public Health became, in many aspects of its central power, the successor to the Local Government Board. Since the early nineteen-twenties, Irish local authorities have not succeeded in avoiding the aggrandizement of central checks in the hands of a responsible Irish government.

Perhaps the clearest example of this trend was the creation in 1926 by the Cosgrave government of the Local Appointments Commission, an instrumentality of the national government which dominates the selection of executive, professional, and technical officers for local units. This system, coupled with the authority exercised by the

¹ Acknowledgment is made to the Horace H. Rackham School of Graduate Studies for a grant which made this and other studies in Ireland possible.

Minister for Local Government and Public Health, creates a virtual national hegemony over all important local administrative officers.

The combined purchasing section of the Department of Local Government and Public Health (first created in 1925) annually compiles a list of official contractors, and it is with firms on this list that the local authorities must place their orders. The Minister for Local Government and Public Health receives applications from those seeking to be appointed as official contractors for supplies to local authorities. The Minister considers the price and quality of goods tendered and other relevant matters pertaining to responsibility of the contractor, stores available, and use of Irish labor. Furthermore, the Minister may require that local officials submit estimates of need for various products during specified periods. Such estimates become enforceable contracts between the appointed official contractor and the local government. Exceptions from the requirement of purchasing from the official list may be made only by order of the Minister. The combined purchasing section of the Department carries out inspection of commodities furnished to local authorities to ascertain whether they meet the specifications of the tender made by the official contractor.

Controls over Finance

IN MATTERS of local finance, the Minister is predominant. He prescribes the system of accounting and the forms to be followed by the local authorities. Local councils and boards must submit monthly financial statements to the Minister. Accounts of local governments are audited by the Department and the auditors may disallow improper expenditures and surcharge the same against the offending officer. Appeals from such disallowances and surcharges may be made to the Minister. The floating of a loan by a local authority may be made only with the consent of the Minister. While local councils have broad authority to strike rates, i. e., levy

taxes, for local purposes, the supervisory power of the Minister enters here as well. During 1933 the Minister refused to sanction an estimate for county road expenditures in Waterford which he considered to be too small.

The most potent weapon of the Minister in dealing with local administrations is that of dissolution. Under this power, confirmed in the Local Government Act of 1925 (section 72), the Minister may order an inquiry into the performance of duties by any local authority. Under specified circumstances (including the decision of the Minister after such inquiry that the county borough, county, borough, urban district, or other local body is not duly and effectually discharging its affairs; failure to comply with ministerial orders, court judgments orders or decrees; or refusal to allow its accounts to be audited), the Minister may dissolve the local authority. He may then appoint a commissioner or commissioners to administer the affairs of the local unit so dissolved. This order of dissolution may be effective for a period as long as three years.

Since the organization of the Free State government in 1922, a number of local authorities have been dissolved. In the nineteen-twenties, the two largest county borough councils, Dublin and Cork, were dissolved. This drastic step on the part of the Minister has been taken in regard to county borough councils, county councils, boards of health, urban district councils, and town commissioners. In 1937 so large a body as the Waterford county borough council was dissolved. In some instances, as in Cork, Dublin, and Waterford, dissolution has been preliminary to the creation of a managerial system by statute, the local council with its previously existing powers never being re-established.

Such instances of central-local relationships in Ireland do not warrant the assumption that all control is repressive in scope and operation. As in the United Kingdom, the grant-in-aid has been used to promote the general efficiency and various functional

activities of local authorities. The grant for relief of rates on agricultural land, which amounted in the year 1937-38 to £1,870,000, is vital. Other central grants to local authorities include those for housing projects; for accommodation and maintenance of patients in mental hospitals; for employment schemes on local public works improvements; for nursing institutions and hospitals; for control of tuberculosis and venereal diseases; for provision of free milk to indigents; for maternal and child welfare purposes; for school medical services and school meals. Further, local authorities are assisted by loans from funds under the control of the Department of Local Government and Public Health.

While it is fair to compare central-local control in Eire to the English system so far as grants-in-aid, auditing, surcharging of local officers, and over-all supervision is concerned, the Irish system obviously goes well beyond the English in the central selection of local executive, professional, and technical officers, in its combined purchasing plan, and in the extensive use of the comprehensive power of dissolution. Irish localities are not violently opposed to direction from above so long as it is superimposed on them by a department responsible to an Irish government. Prior to the establishment of the Free State, they had opposed the centralization of their affairs in the Local Government Board, as, for example, in refusing to submit accounts to central audit, because they were engaged in political opposition to any instrumentality of English government in Ireland. Although one of the objectives of the Irish Constituent Assembly summoned in 1922 was to bring about a decentralization of government in the Free State, with a concomitantly greater degree of local responsibility, the ensuing civil war in Ireland and the inception of spoils politics in local units played havoc with the firmest convictions in behalf of decentralization. Throughout both the Cosgrave and the De Valera administrations in Ireland, the powers of the central over the local govern-

ments have been aggrandized by statute. With this legal base, unitary influence has been dominant, and the interaction of administration and legislation has been close. Statutory generalization has permitted administrative orders as to details to develop, and these in turn have resulted in additional statutes, sponsored by the Department of Local Government and Public Health.

In Ireland there is no parallel to American home rule principles or to state constitutional barriers against special act legislation. The Oireachtas, or Irish legislature, enacts general or special acts for local governments as it deems desirable and, chiefly, as advised by the Minister. Contrary to American state practice, the Irish system concentrates most of its administrative supervision over local governments in a single department. If the American cities can be said to be legally creatures of the state except insofar as they possess constitutional protection or grants of power, the Irish local units can be considered creatures of the Department of Local Government and Public Health. Compared with local authorities in Ireland, the American cities, counties, towns, and villages possess more vital functions of self-government in the selection of their administrative officers, in fixing the status of these officers, and in removing them. In financial matters, the states are moving in the direction of central auditing and other types of administrative action, but, generally speaking, the states have not attained the unification or the range of power over local finance possessed by the Irish Department of Local Government and Public Health. American local units have not been subjected to state centralized purchasing agencies, although cooperative purchasing operations by some state municipal leagues indicate some similarity of trends.

The use of the Public Works Administration as an instrument of direct federal-city relationship for the encouragement of local public works is analogous to the Irish plan of national grants for works designed to relieve unemployment. However, our P.W.A.

program has had a much more extensive influence on local public works. On the other hand, the Irish central government has promoted housing in local units on a scale which, considering its limited financial resources, makes this an outstanding feature of progressive local government in that country.

Control of Appointments

IMMEDIATELY after the establishment of the Irish Free State in 1922, local governmental authorities were allowed a wide discretion in selecting executive, professional, and other employees. Within a few years charges were made that bribery, nepotism, and favoritism were being used to obtain local administrative posts. The growth of a general spoils system in local units was a distinct possibility. The official 1929-30 report of the Department of Local Government and Public Health stated with reference to the period 1922 to 1926: "No doubt many local authorities had brought into their services officers of high competence, but with the expansion of the functions of local authorities, it became more and more evident that the appointment of local officials could not longer be exposed to the evils of patronage, and of family, local, and political influences." William T. Cosgrave, then President of the Executive Council of the Free State, had had ample experience in local administration in the Dublin Corporation and as the Minister for Local Government and Public Health. It was during his presidency that it was decided in 1926 to create a central body to deal with local appointments. Accordingly, the Local Appointments Commission (referred to as the L.A.C.) was created by the Local Authorities (Officers and Employees) Act of 1926. The L.A.C. then established has since played a leading role both under the Free State (1922-1937) and under the new state of Eire (Ireland) which replaced the Free State in 1937. The L.A.C., headed by three commissioners appointed by and serving at the pleasure of the Government or cabinet, is

clearly an adjunct of the central government.

The Local Appointments Commission was designed to put an end to canvassing among local authorities by candidates for positions; to make the whole of Saorstát Éireann the recruiting area for such positions; to devise a machinery responsible to the central government for the examination of the applicants; and to require local councils in counties, county boroughs, boroughs, urban districts, and towns to accept the person selected by the Commission as the best qualified for a given position. The act of 1926 applies not only to the appointment of chief executive officers, such as county borough managers, borough managers, and county secretaries, but also to professional and technical officers (other than teachers), and to any other positions or employments so designated by the appropriate minister with the concurrence of the L.A.C. Central designation followed by all but automatic local appointment has been applied to such officers and employees as managers, secretaries, accountants, clerks, coroners, solicitors, medical officers, dentists, nurses, engineers and surveyors, electricians, librarians, superintending assistance officers, fire brigade officers, county foresters, chief sanitary inspectors, laboratory technicians, architects, rate inspectors, planning officials, and school attendance supervisors.

While such appointments are generally filled pursuant to examinations held by the Local Appointments Commission, this is not always the case. The act permits appointments by promotion from within the service, provided the local authority in question obtains the consent of the Minister for Local Government and Public Health. When this procedure is followed, the L.A.C. plays no part. Such appointments without the action of the L.A.C. can be made only if the new incumbent already holds a similar post under a local authority, or if he is receiving a pension resulting from previous employment in a like position. In all other cases the local authority must apply to the L.A.C.

for the recommendation of an appointee and must then appoint the person so recommended. If a local governmental unit fails to make the necessary request, then the Minister for Local Government and Public Health may ask the L.A.C. to act. The central powers are adequate to prevent local authorities from undermining the position and work of the Commission. After all, the Department of Local Government and Public Health administers various grants-in-aid.¹

Procedure of Appointment

ONCE a local authority has requested the recruitment of an officer, a long process is set in motion. Qualifications for a position are prescribed by the Local Appointments Commission with the consent of the Minister. Public announcement is then made of a vacancy through the daily newspapers and applications are invited. In making their choice from the applicants, the commissioners may use a competitive examination if they deem this method most appropriate. On the other hand, should they conclude that a competitive examination is not appropriate for an executive, technical, professional, or other post, then—again with the consent of the Minister—they may use such other test as they may think appropriate.

The alternative scheme most widely used is what the L.A.C. calls "interview board" procedure. All the candidates are interviewed by a panel board made up largely of technical or professional men or women acquainted with or expert in the duties required of the appointee. Each such interview board has a layman as chairman; members are unpaid; they are requested to serve by the L.A.C.; they meet together for the first time on the morning of the day for the examinations; each member is kept in ignorance of the names of other panel board members until this meeting. The function of the board is to interview the applicants

orally; to consider their educational preparation, experience, and promise; eventually, to tabulate their names in order of preference; and, finally, to advise the L.A.C. of this order and the suitability of the candidates for employment. The interview boards are given a schedule by which they must rate the applicants. Every attempt is made to keep the grading objective. For example, a total score of 100 points for years of service in medicine might be broken down to 10 points per year with additional points for unusual experience. Professional groups are consulted on the point scores to be awarded to different factors in training and experience. However, as many as 200 out of a total 1,000 points are allocated to a personality rating to be made by the board as a result of the oral interview. The candidates are introduced to the board by number and all of the board members must agree in making any rating, whether it pertains to training, experience, or personality. Where the deciding factor in ranking is the personality mark, then the interview board must write a special report in support of its decision, indicating why candidate No. 1 is superior to candidate No. 2 in personality. When the interview board has reported its order of preference, the L.A.C. almost invariably takes the person rated first as the candidate to be recommended to the local authority for appointment.

In each of the years from 1927-28 to 1937-38, inclusive, more than two hundred positions were filled by recommendation of the L.A.C., and in the year 1937-38 the total number was 347.

In addition to its basic work in making recommendations for appointments to executive, professional, and technical positions in the local governmental service, the L.A.C. also examines applicants for minor or clerical positions pursuant to voluntary requests from the local units. These examinations are generally written, competitive tests. The costs of giving them are charged back on the local governments. The Local Appointments Commissioners and Civil

¹On the floor of the Dail, I have heard deputies state that any local authority should know that it is a losing fight to oppose the Minister or the L.A.C.

Service Commission of the central government use the same technical staff in preparing, giving, and rating examinations.

The L.A.C. deals only with recruitment. All such matters as salaries, discipline, promotions, and removals lie beyond the range of its authority. These are matters which lie between the local authorities on the one hand and the Minister for Local Government and Public Health on the other.

While some questions may be raised concerning the general reliance of the L.A.C. on the oral interview, there can be no doubt as to the high regard generally held in Eire for the body and its work. In 1939, when the Government proposed to set up a tourist board, it was a tribute to the commissioners that the opposition forces in the senate sought to amend the bill so as to require selection of staff for that board by the L.A.C. Although there is some grumbling among local authorities about the "high-handedness" of the L.A.C. and the Minister in the matter of appointments, this is probably only the inevitable repercussion of any system of central-local control. As compared with the previous system of local canvassing and village-pump politics in selecting personnel for expert posts, with the recruiting restricted by regional boundaries and political predilections, the L.A.C. is far and away superior. The justification usually advanced for the oral interview method and the emphasis placed on personal aptitude is that the executives, professional officers, and technicians must serve the public and that over and above technical competence, personality is no inconsiderable factor. Professional people and laymen who have participated as "interview board" members speak well of the system. Trained personnel on the job in localities favor the L.A.C. as a system of selection.

The great advantage of the system from the point of view of staffs involved is that the entire area of Eire becomes the basis for recruitment to any local post within the range of the L.A.C. A person trained in accounting need not wait for a suitable open-

ing in his own area which might even then be filled on the basis of political pull. He can "go out" (as they say) for a position in his field of competence whenever one is advertised by the L.A.C. Even more attractive and valuable is the possibility of demonstrating competence and gaining experience in a technical position in a small local authority and using this as a springboard for a similar post in a larger unit. There have been more than a few examples of careers so made. Mr. Patrick J. Hernon, a commissioner of the Dublin Corporation in the twenties, became the borough manager of Dun Laoghaire in 1930. He gave to this city in the Dublin metropolitan area a highly successful administration. In 1936 the incumbent city manager of Dublin resigned. The chief finance officer was made acting city manager. During 1937 the L.A.C. convened an interview board to examine applicants on the basis of the following announcement:

LOCAL APPOINTMENTS COMMISSION.

Post:—Dublin City Manager and Town Clerk.

CONDITIONS OF APPOINTMENT.

1. The post is whole-time, permanent and pensionable.
2. *Salary*:—£1,700 a year (Inclusive). All fees, emoluments or remuneration other than the inclusive salary paid to the City Manager and Town Clerk must be lodged to the credit of the Municipal Fund. The person appointed will be required to enter into an agreement to make such lodgments.
3. *Minimum Age Limit*:—Each candidate must be at least 30 years of age on 1st March, 1937.
4. *Qualifications*:—Candidates must be well educated and of high administrative capacity; must have experience in the organisation and control of staff and in the conduct of negotiations and possess a general knowledge of local administration and finance and social legislation.
5. *Method of Appointment*:—(i) The Commissioners will investigate the qualifications of candidates with the assistance of a Board set up for

that purpose and, subject to (ii) below, the most highly qualified and suitable candidate will be recommended to the Local Authority for appointment to the vacant office. (ii) A preference will be given to suitable qualified candidates with a good knowledge of Irish. (iii) Candidates may be required to attend in person before the Board but the Commissioners will not be responsible for any expense a candidate may incur in attending for interview. (iv) The selected candidate must satisfy the Local Appointments Commissioners with regard to age, health and character.

6. *Duties:*—To exercise and perform for and on behalf of the City Corporation the powers, functions and duties of the City Corporation in relation to the appointment and removal of officers and servants of the City Corporation; to exercise and perform all other powers, functions and duties of the City Corporation other than the reserved functions as defined by the Local Government (Dublin) Act, 1930; to exercise and perform all the powers, functions and duties conferred or imposed by law on the Town Clerk of the City; to afford to the Council all available information in regard to any Act, manner or thing appertaining to the business of the Corporation upon request; to advise and assist the Council generally in the exercise of the reserved functions and particularly upon request; to carry into effect all lawful orders of the Council in relation to the exercise of the reserved functions; to direct, control and supervise the officers and servants of the Corporation.

7. *Latest date for receiving completed application forms* which should be returned to the Secretary, Local Appointments Commission, 45, Upper O'Connell Street, Dublin, C.8, 12th March, 1937.

Pursuant to the examination, Mr. P. J. Hernon, who was still serving as manager of Dun Laoghaire, was recommended by the L.A.C. to the Dublin Corporation as city manager and town clerk. Although the Dublin Corporation demurred at first because certain members of the council favored the promotion of the chief finance officer and acting manager to the position of manager, the ultimate decision was (and had to be) the acceptance of the recommendee. Mr. Hernon has continued to serve to date with notable success.

This left the managership in Dun Laoghaire vacant and resulted in other shifts in local personnel. Mr. T. C. O'Mahony, who had previously served successfully as manager of the county borough of Limerick, was

chosen by the L.A.C. for the Dun Laoghaire vacancy. In turn, Mr. J. J. Berkery was moved up from a lesser post in another local unit to the Limerick managership. With the extension of the Irish city manager plan to all the counties of southern Ireland, the prospects for a career service in management will be greatly enhanced. These examples of a career service in executive positions illustrate the system set in motion by the L.A.C. in the whole field of local service. Finance, health, engineering, and other technical officers can anticipate the opportunity of going out for better jobs in larger units. This improves the whole tone of the local service and offers incentives toward administrative achievements wherever an ambitious public servant may be located. If he fails to be recommended by the L.A.C. for one vacancy, he may try for the next. Again, the presentation of the same candidates before different interview boards permits the L.A.C. to avail itself of their comparative opinions.¹

Such is the Irish system of central control over recruitment of personnel for local authorities. During the administration of Cosgrave, the De Valera opposition criticized the dominant position of the L.A.C. because only one recommendation was made to a local authority for any vacant position. It was argued that recommendation of the three most highly qualified candidates would permit the local authority to exercise some discretion in making a decision. After De Valera came to power in 1932, this plan was tried for a number of months. The results were proved unsatisfactory since canvassing was engendered. The three recommended candidates would engage in maneuvers for the favor of the local council which was vested with the power of making the final selection. Following this experiment, the De Valera administration returned to the principle of naming only one

¹The secretary of the L.A.C. informed me in 1939 that they had found differently constituted interview boards to be, on the whole, very consistent in rating the same candidates. One of the interesting aspects of the system is that a number of professors from the Irish universities are used as interview board members.

candidate to the local authorities and has continued this policy to date. This results, of course, in appointments by the L.A.C. in effect if not in legal principle.

The Irish City Manager Plan

THERE can be no doubt about the success of the so-called city manager plan in Ireland. Although this was copied, in part, from the American model, national control over local executive and administrative officers in Ireland has made that system unique. The plan was first applied to the county borough of Cork in 1929 and extended to the county borough of Dublin and the borough of Dun Laoghaire in the following year. These statutes were drafted and passed by the Cosgrave government. The plan was next applied to the county borough of Limerick in 1934 by the De Valera administration. Five years later the Waterford city management act was passed. While these were special acts, the same general principles as to organization, powers, and interrelationships between the council, the manager, and the administrative staff were applied in all of them. The most significant fact is that political parties in Ireland which have fought each other bitterly over a period of eighteen years with respect to national policies have, as evidenced by the acts of the Cosgrave and De Valera administrations, pursued a similar course in the establishment of city management.

The L.A.C. method of recruiting county borough managers, borough managers, and more recently county managers, raises a question as to the wisdom of comparing this system with the American council manager plan. Essential phases of the managerial system in the United States include the power of the council to appoint and remove the manager, and the authority of the manager to appoint and remove the departmental executives. These two basic features are ruled out in Ireland by the vertical authority exercised by the L.A.C. in appointments and by the Minister in removals. It may well be asked, in view of this lack of

correlation in form, whether the Irish system is analogous to the American or any other. Is it *sui generis* like Ireland's position in the British Commonwealth of Nations? Again, it may be asked, does the Irish manager plan actually resemble in practice the American plan?

So far as formal arrangements are concerned, it is difficult to place Irish local government on all fours with other systems. Keeping the Irish managerial developments in mind, an analogy becomes particularly hard to find. It certainly does not resemble the English plan in which the local councils still select their professional administrators and supervise them by committee action. It diverges from the three major German systems of the nineteen-twenties—*Magistratsverfassung*, *Bürgermeisterverfassung*, *Stadtratsverfassung*. In the first of these, the burgomaster and his colleagues—the members of the administrative board—were selected by the council. In the second type, the burgomaster and his subordinate administrative officers were likewise chosen by the council. In the third plan, the executive officers likewise derived their offices from the council; further, they joined with the council in a unicameral body which had both legislative power and control over administration. Certainly as to form, there was in none of these pre-Hitler types the dichotomy of the Irish system.

Serious doubts would necessarily be cast on any attempt to square the Irish local government of today either with the German system predicated upon Hitler decrees or the Italian device of the *podestà*. Under the *Deutsche Gemeindeordnung* of 1935, a "party delegate" makes nominations as to local administrative officers to the appropriate supervisory authorities. With reference to council members, the "party delegate" has an even greater function, for he can select them. Thus the German councils are not representative institutions as are the Irish, and the German system of selecting administrative officers incorporates a type of party control which has no parallel in Ire-

land. Under the Italian system, the *podestà*, who has both legislative and administrative powers in the commune, is an agent of the central government and must take an oath of loyalty precluding membership in associations or parties whose activities are inconsistent with the duties of his office. Councilors in the larger communes are appointed by the Minister of the Interior. Here, again, absence of representative councils and the exigencies of the one-party state in controlling local administrative officers create situations unlike those of the Irish plan.

Possibly the closest analogue of the Irish manager and council was that of the prefect and the council in the *département* of the Third Republic in France. There the powers of government were divided between the centrally appointed prefect and the locally elected general council. However, the prefect had a major function not vested in the Irish manager, namely, that of being the field agent of the central authority in the *département*. On the other hand, in his work as departmental executive in preparing budgets, drafts of ordinances, and reports for the council, and in serving as chief executive of the administrative bureaus of the department, he held a position comparable in general principles, at any rate, to the position of the Irish manager.

Similarity to Practice in the U. S.

IF ANY similarity between the Irish and the American city manager plans exists, it is on the basis of practice rather than of form. The authority which councils may exercise over the managers in Ireland is by no means as direct and compelling as is the case in the United States. On the other hand, Irish managers advise, consult, and confer with their councils in matters which fall entirely within the managers' statutory powers. The Dublin city manager stated in 1939 that he maintained close contacts with the committees of the council, keeping them informed of what the municipal administration was doing or intending to do. These contacts with committees are, of course, sup-

plemented by informal and formal reports to the entire council. Frequent consultation between managers and councils in Ireland is the rule rather than the exception.

In Cork, there has been some complaint that the present manager acts on administrative matters and informs the council later. In so doing the manager stands upon his legal rights. But the representative Irish councils possess the important reserved functions of making bylaws and rates—i.e., passing ordinances and levying local taxes. A manager in his dealings with the council must recognize that his estimates of expenditure for a fiscal year can only be supported by a rate structure which the council has the authority to determine. While the manager cannot be removed unless the consent of the Minister for Local Government and Public Health be obtained, the council does have the power to suspend and to initiate the removal of the manager. Moreover, the manager is required by the various statutes for the county boroughs of Cork, Dublin, Limerick, and Waterford and for the borough of Dun Laoghaire to assist the council in the performance of its reserved functions and to carry out all lawful orders in regard to these functions.

The manager exercises general supervision over an administrative staff which owes its selection to the L.A.C. The manager, however, is vested with general guidance and full supervision of the officers and servants of the corporation. While the manager may suspend the executive officers, he may remove them only with the consent of the Minister. He is likewise subject to the regulations of the Minister in questions relating to the service, remuneration, privileges, and superannuation of officers and employees. A close working relationship exists, nevertheless, between the manager and the section heads who have charge of specific functional activities. While staff or cabinet meetings are not the general rule, individual consultations between the manager and section heads are frequent. The Dublin county borough manager estimates that he gives

about two days per week to consultations with council members and department heads. From discussions with public officers in Ireland pertaining to council manager and manager-administrative staff relationships, it appears that the working relations are similar to those in an American council manager city where the chief executive is free from political meddling in administration. Legally the manager is in a more independent administrative position in Ireland, but actually his interrelations with the council and with the staff are parallel in many respects to our system.

The County Manager Act

A GENERAL act was passed by the Oireachtas in 1940 requiring managers in all twenty-seven administrative counties under the government of the state of Eire. The act also provides for the combination of twelve of these counties into six groups. Where two counties are so grouped, the same person is to serve simultaneously as manager for each of the two counties. County consolidation in the American sense is not intended. Furthermore, the same person is to serve as manager for the county borough of Dublin and the rural county of Dublin. The borough manager of Dun Laoghaire, a local unit within the Dublin metropolitan area, is to become one of the two assistant managers for the county borough of Dublin and the county of Dublin. Except with reference to the borough of Dun Laoghaire, the county managers will also serve as the executives for boroughs within the counties, for urban district councils, for town commissioners, for joint committees of management of district mental hospitals, and for other joint boards or committees performing functions pertaining to two or more local units. Where such boards or committees have a functional area extending into two or more counties, or two or more counties and county boroughs, then the Minister designates which manager shall have control. The statute provides for the dissolution of boards of health and the transfer of their

properties, liabilities, special powers, and duties to the respective county councils. Thus the county management act is a pervasive one with reference to extension of executive management and coordination of authorities.

In a general way, the county management act extends the principles of the earlier city management laws. There is a sphere of reserved functions vested in the governing council of a county including the powers of making a rate, borrowing money, making, amending, or revoking a bylaw, and suspending or removing a manager subject to the approval of the Minister. Executive functions are vested in the manager. The officers and servants of a county must perform their duties in accordance with such directions as the manager may give. By signed order, countersigned by a nominated officer for a county,¹ the manager may authorize the making of payments out of county funds provided such expenditures result from the proper exercise of functions of the council or of the manager.

The manager must prepare a budget and submit it to the annual estimates meeting of the council. If disagreement results between the council and the manager on any items, an adjourned estimates meeting for decision on such items must be held not less than six days after the original meeting. The manager must, at the request of the council, submit all information at his disposal pertaining to the business and affairs of the county. Any council may establish regulations governing procedures to be followed in receiving and examining tenders for goods or the execution of works, but such regulations must have ministerial approval. County councils, subject to prescribed limits, may make a requisition by resolution that a particular thing be done, but this requires a special meeting and a two-thirds vote of those present and voting or a majority vote of the total membership. It is the duty of the manager to advise the council

¹ The Minister is authorized to designate a member of the county council as such nominated officer.

on the exercise of its reserved functions. He has the right to attend council meetings but not to vote. He has a duty to attend council meetings and committee meetings when so requested. Since the manager's office and the offices of the administrative staff are filled by the L.A.C. as vacancies arise, the same dichotomy in form between centrally appointed officials and locally elected councilors appears in county management as in city management. There are specific provisions in this act to insure the appointment to the first managerial vacancies of existing county secretaries where such officers become applicants and are "suitable." The original effect of the act may well be to utilize many existing county secretaries as managers.¹

Other important features of the act are the provisions which establish the county managers as the executives for local units within the counties, such as boroughs and urban districts. The elective councils of

¹ The Minister is authorized to specify the date on which the act takes effect.

these authorities will continue with a specified range of reserved functions. The managers, however, are invested with their executive functions. In other words, the interrelations between the manager and the elective councils of lesser local units will be parallel to those between the managers and the county councils. So this is really more than a county management act, being virtually a local unit management act to be administered by county managers. It is this latter feature, as well as the novelty of county management itself, which marks the Irish plan as a highly progressive one. With this extension of management to the whole field of local authorities, the Irish alteration of the system of local administration which was extant during English control may be considered reasonably complete. The new controls are pervasive and powerful. It is a revolution marked by the introduction of the managerial principle in all local authorities and the development of a series of additional central controls of indigenous origin over local authorities.

Reviews of Books and Documents

Departmental History and Management

PUBLIC ADMINISTRATION AND THE UNITED STATES DEPARTMENT OF AGRICULTURE, by JOHN M. GAUS and LEON O. WOLCOTT, with a chapter by Verne B. Lewis. Public Administration Service, 1940. Pp. xii, 534. \$4.50.

THIS volume is an outstanding contribution to the literature in the field of public administration. It contains an unusually clear and, at times, fascinating description and analysis of the staff offices and line bureaus of the Department of Agriculture and the evolving procedures used to coordinate their activities.

Typical of the interesting questions suggested and answered by this book are: What forces or pressures bring about the existence and shape the structure of a department in the federal government; how does the immediate staff of a secretary function to lessen the almost superhuman task of administering the affairs of a department; why are certain new functions of government administered by one department rather than by another?

In making this study the authors had two objectives before them, to encourage research concerning administrative problems in the light of recent developments which have implications for state and local government, and to throw light on the nature of a department generally by examining the functions and structure of the Department of Agriculture. Their conclusion is that the Department cannot be understood as an administrative agency by recording a description of it at any given time, or as a self-contained unit of government. "Its real significance is to be discovered by noting tendencies and adjustments over a period of years, and especially by analyzing its activities in an area, or in relation to a commodity, as part of a network of governmental and other agencies of social control."

In keeping with this idea, the first part of the book is devoted to a discussion of the evolution of the Department. Although appropriations for agricultural purposes were made as early as 1839, it was not until 1862, during the critical

days of Lincoln's administration, that the Department of Agriculture was established. From this modest beginning when its function was principally investigation and research, Gaus and Wolcott trace the structural development of the Department through the successive periods of the expansion of regulatory legislation and the institution of the extension service to the present-day emphasis on planning for the proper use of lands.

The second section of the book is devoted to a discussion of the major groups of activities with which the Department is concerned. These are the production of plants and animals, land use, marketing and distribution, rural life, and finance. Instead of merely describing the work which each bureau of the Department does, without reference to similar work performed in other bureaus, the authors have emphasized the administrative aspects of the different overall functions which cut across bureau lines. Many lines of interrelationship are traced among the eighteen bureaus of the Department, between these bureaus and the field offices (in which 90 per cent of the 80,000 employees of the Department are located), and between the Department of Agriculture and other executive departments of the government. These multiple interrelationships constitute the characteristic problem of its administration.

For example, the traditional interest and objective of the Department have been directed toward the production of agricultural products. In order that the results of the Department's scientific research may find application, it is necessary that this information be transmitted to the farmers. The bureaus and state agricultural colleges issue a never ending stream of bulletins of interest to farmers generally or to groups of farmers. The individual

farmer, however, must coordinate such available knowledge as he believes is useful to him. Care must be taken to insure intelligent use of the new knowledge promulgated by the Department; any destruction of the goals of production has a bearing not only on production itself but on the economic forces that condition farm management. Concerning this aspect the authors state that the Department's "activities require a continuing appraisal, despite the specialization characteristic of scientific research and research workers. They must be integrated with the program and resources of each state and with the local area in the light of circumstances peculiar to it. Finally, they must be made intelligible and of use to the individual farmer, who is always subject to the requirements of a biological industry dependent on the natural factors of the life cycles of soil, plants, animals, and seasons and to destructive risks from weather, insects, and disease."

But do the scientists and officials know what is best for the farmers? This is an ever present question in any phase of public administration. In more general terms the question might be phrased as follows: Should the experts tell the people what to do, or should the people tell the experts what they want? The only answer in a democracy is that we must somehow integrate both the desires and wishes of the people with the ever increasing reservoir of knowledge accumulated by our scientists.

The Department, realizing the importance of collaboration with both the states and the farmers, completed on July 8, 1938, what is now known as the Mt. Weather Agreement. The heart of this agreement was the proposal to establish a system of coordinated land-use planning which would correlate existing action programs in the field and help guide the formulation of future programs. "The foundation of the system was the farmers themselves, organized into groups, called upon to participate in local planning and to bring their knowledge of local conditions to bear upon national programs. . . . This plan not only represented a most significant effort to democratize the administration of national farm programs but helped tie securely at both ends the direct lines of administration reaching from the Department to the farmer on his farm."

In the field of distribution the Agricultural

Adjustment Administration stands out as a notable achievement of the present administration. Some of the practices instituted by the A.A.A. to increase the prices paid to farmers include: collection and dissemination of economic information, production control, export subsidies, subsidies for increased consumption and diversion of uses, marketing agreements, and benefit payments for conservation and soil-improvement practices. "The interrelations of these programs were intricate and produced complex problems. Moreover, the whole group was interrelated with other phases of the Department's activities. Grades and standards became extremely important in the administration of marketing agreements and marketing quotas; crop production and improvement must be integrated with production control; price, population, tenure, and other information must be drawn upon and expanded; and all must be integrated with the land-use programs on an areal basis."

OF ESPECIAL interest to students of public administration is the third section of the book which examines the structure of "The Resulting Department of Agriculture." The authors, in the initial portion of this section, pose the significant question, What is the function of a department? After examining different meanings of the word "function" in relation to activities performed by the bureaus and occupational interests (reflected in the popular view that it is the "farmer's department"), they conclude that the Department possesses a substantial organic functional character. They advance arguments to show why the bureaus should be grouped together into a coordinated organization, although they admit that the activities of some of the bureaus are so closely related to those of bureaus in other departments as to make them peripheral.

Continuing their description of the Department's hierarchical structure, the authors portray in detail the complexity of its administration. We see how the Secretary's general staff has developed as new administrative burdens have been imposed upon the Department; how this staff operates so as to facilitate policy formulation and the making of decisions and to prevent constriction in the flow of work. Besides telling what the auxiliary services (the Offices of Budget and Finance, Personnel, Solic

itor, Information, Library, Plant and Operations, Extension Service, and Experiment Stations) do and how they do it, the authors emphasize the ever present need of a continuous winning of consent on the part of these services; they must act principally in an advisory capacity to the line bureaus. Here, as through the entire book, Gaus and Wolcott reiterate one of the foremost concepts which the Department is endeavoring to follow: namely, the "democratizing" of administration both within itself and in its relations with the farmers and other interest groups.

The authors' concluding chapter considers the Department in the light of current problems such as departmental relations to the Chief Executive; relations with state, local, and regional agencies; integration through in-service training; interest organizations that supplement government; and opportunities and challenges for the political scientist. "Broadly conceived, the Department's major task is to canalize the drive and energy of the pressure groups in agriculture so that they will be less harmful to our economy generally and will contribute to the best use of our natural resources, to the most satisfactory rural life, and to the most economic supply of agricultural products most useful to the consumer. Thus, the Department is not merely an inert and passive transmitter of contending and conflicting pressures but is an active agency in de-

fining objectives and in making adjustments within the scope of legislative policy."

The initial portion of the appendix is really a small book in itself, containing a description of "Budgetary Administration in the Department of Agriculture" by Verne B. Lewis. Mr. Lewis' approach to this study provides an important contribution to the field of budgeting in that he has examined the budgeting process at the bureau and departmental level instead of focusing attention almost exclusively on central budget agencies. In examining his topic, Mr. Lewis has considered the nature of the appropriation act, the organization for budgetary administration, the formulation of the budget, the execution of the budget, and the need for improved practices. It is interesting to note that the problems of budgetary and financial administration confronting each of several of the bureaus in the Department exceed those found in most state governments.

Because of my association with the Department, I am perhaps prejudiced in favor of this book. It is, however, more than the story of a department. It will help readers understand, by illustration, problems characteristic of all levels of government. To its authors and to the agencies which made its preparation possible, students not only of agricultural administration but of all public administration will long be grateful.

ROY F. HENDRICKSON

Friction Points in Administration

AN INTRODUCTION TO ADMINISTRATIVE LAW, WITH SELECTED CASES, by JAMES HART. F. S. Crofts and Company, 1940. Pp. xviii, 621. \$5.00.

ADMINISTRATIVE LAW: CASES AND COMMENTS, by WALTER GELLHORN. The Foundation Press, Inc., 1940. Pp. lxxii, 1007. \$6.00.

CASE books and commentaries on administrative law interest teachers of public administration and professional administrators for two reasons. In the first place, such books contain materials outlining the legal principles and illustrating the legal rules applicable to the process of public administration. In the second place, they afford a rich variety of object lessons in the frictions that have developed in the administrative process. These two volumes in administrative law, one by Professor James

Hart of the University of Virginia, the other by Professor Walter Gellhorn of Columbia University, may be considered from both points of view.

Viewed as collections of legal rules governing public administration in the United States both works represent advances over their predecessors. The first books in administrative law in this country were those by Professor Goodnow published as the nineteenth was turning into the twentieth century. Both his case

books and commentaries included within administrative law the law that governed public administration: the law of officers, of administrative organization, of powers, and of enforcement and remedies. These early studies marked out the boundaries of the field; later works have selected various phases of the entire subject for more detailed treatment. Professor Freund with an interest in administrative powers and remedies against administrative action, Professor (now Justice) Frankfurter (in collaboration with Professor Davison) with an interest in the constitutional problems of the separation and delegation of powers and in judicial review of administrative action, Professor Dodd with an interest in enforcement and the law of officers, Professor Stason with an interest in notice and hearing and the problems of procedure, and Professor Maurer with his emphasis upon the delegation of power and remedies, all developed more intensively certain aspects of administrative law as they were marked out by the early works of Professor Goodnow.

Professor Gellhorn's book, continuing the interests and techniques of these scholars, probably defines the general scope of administrative law as a subject of law school instruction for our generation. It follows the tendency to point more directly at the problems of the law governing administrative procedure, dealing with the material on powers only incidentally, rather than in a special section, and giving only the most casual attention to the law of public officers. For example, a long note on the liability of public officers is found in the section on the right to notice (page 402) following the case of *Miller v. Horton*, one of a group of cases dealing with summary action by administrative officers. In the tradition of Frankfurter, Gellhorn includes a large quota of cases dealing with constitutional questions, departing from the second edition of Freund's case book.

The method used by Professor Gellhorn permits him to deal very intensively with the subject of administrative procedure. For example, the subject of notice, with its many ramifications, occupies 214 pages. The hearing, as an administrative procedure, is dealt with in 207 pages. Nearly 300 pages are devoted to problems of the separation and delegation of powers. These materials, while primarily constitutional, include some problems related to

the exercise of delegated powers and some questions of statutory construction.

PROFESSOR Hart, on the other hand, has followed the example set by his teacher, Professor Goodnow, and his work represents a surprisingly successful attempt to integrate the specialized studies that have been carried on since the appearance of Goodnow's books. In one sense, this book is Goodnow within the compass of a single volume brought up to date by means of both cases and commentaries. Such a scope obviously necessitates a survey of the entire field instead of a detailed consideration of certain phases of it. This difference is illustrated by the allocation of roughly 110 pages to cover the materials on procedure dealt with in almost 400 pages by Gellhorn. This limitation does not indicate that Hart's materials are superficial. By his technique of summarizing instead of reprinting opinions at length, by using extracts from books and law review articles, and by his own explanatory notes, Hart manages to treat a surprising number of problems with satisfying thoroughness.

Professor Hart's work is significant, however, primarily because it presents again, and for the first time for this generation, the whole subject of administrative law with its appropriate divisions and classifications. This is nowhere more in evidence than in his admirable condensation of the intricate and difficult but highly important materials in the field of administrative powers. For political scientists at least the work of Freund is destined to live by virtue of his contribution in this field. To have integrated this subject with other phases of administrative law is a contribution on a par with that made by Gellhorn in his intensive study of administrative procedure.

Both books develop more extensive methods of presentation than their predecessors. In both, long notes are found in abundance, in some instances approaching essay or article form. Even the merely conventional annotations usually raise questions to an uncommon degree. Extracts from and condensations of legal literature, including portions of reports made by official bodies investigating and appraising public administration, are also included.

Turning to the second use to which case books on administrative law ought to be put,

namely, that of illustrating the friction points in the administrative process, we note that both of these books are virtually inexhaustible sources of materials on the mistakes and successes of public administrators in township, city, village, county, state, and national systems. They contain records of administrative actions which have caused so much friction in society that persons have been willing to pay the costs not only of an ordinary lawsuit but of appeals to the higher courts, with all that this entails in time, expense, and often hard feelings. Here we find documentary sources, inadequate though they may be in their details at many points, shedding a great deal of light upon the administrative process. The Morgan cases, the St. Joseph Stockyards case, the numerous licensing cases, the zoning cases, the labor relations cases, the civil service cases, all constitute an intensely interesting body of materials for the study of administrative friction points.

Public relations materials are also found in abundance here. What did the administrator do to touch off such a fire? Could he have

avoided it? Did the law tie his hands and handicap him? If so, how could it have been phrased so as to eliminate the basic difficulty? Did the difficulty arise from bad administrative organization? Might the problem have been solved by informal procedures? These and numerous other queries inevitably crowd into one's mind while reading these cases, which from this point of view yield much for both administrator and teacher. The reading of these cases in this spirit becomes as much fun as instruction.

We have taken such books too seriously from the legal viewpoint really to enjoy them for what they are intrinsically worth. If one can read a case, lay it away, think about it, go about his work, go back and read it again, question it more closely, and repeat the process until the whole is tied together in a unified experience, then and then only does the legal aspect assume its true significance. Its true significance arises, as the readers of this *Review* well know, from its setting in the administrative process.

OLIVER PETER FIELD

Two Books on Federal Accounting

ACCOUNTING PROCEDURES OF THE UNITED STATES GOVERNMENT, by E. F. BARTELT. Public Administration Service, 1940. Pp. xii, 155. \$2.00.

THE FEDERAL FINANCIAL SYSTEM, by DANIEL T. SELKO. The Brookings Institution, 1940. Pp. xii, 606. \$3.50.

MR. BARTELT's small book is a collection of public addresses on governmental accounting, published, as he says, because

The conviction has been growing upon me steadily that the Government is losing the assistance and interest of many public-spirited executives, accountants, and students of government who would be glad to help the Government solve its problems of accounting and business management if they knew something about the issues involved.

The book is the product of the mature and practical judgment of a Treasury career expert with a wealth of administrative experience. He states the problem with admirable clarity and presents a simple and logical plan for integrating the various systems of accounts so that, so far as possible, governmental accounting and fiscal control shall be precise, complete

and current, and genuinely informative of the government's true financial position.

Mr. Bartelt outlines the accounting organization and functions of the Treasury. He describes the evolution of accounting procedures and the gradual introduction of mechanical equipment. He gives in some detail the development of the emergency relief accounting system, with its gigantic accomplishment of presenting to Congress a *complete financial statement* of these vast expenditures within *nine days* after the close of the fiscal year.

This system was designed and has been administered by Mr. Bartelt under the President's *carte blanche* to the Treasury to provide adequate accounting for emergency relief appropriations. The functioning of this system

shows how efficient government accounting can be when sufficient authority is delegated to Treasury experts. Having demonstrated so remarkably what can be done in one division of government finance, Mr. Bartelt believes similar efficiency can be brought about in all departments of financial administration, if Congress will

a) establish a complete standard accounting system which will reflect in a centrally controlled bookkeeping system *all* financial transactions of the government;

b) provide for adequate administration of a centralized system;

c) create congressional standing committees to receive and deal with the flow of current financial data made available by improved centralized accounting;

d) require complete regular reporting of the government's current financial status to Congress, the President, and the public; and

e) establish a truly *independent* postaudit of *all* government accounts by an auditor responsible directly to Congress.

The author points out that the government now has the head and the tail of a financial system, namely, the budget system and an auditing system of sorts, but that they are not tied together with a coordinated accounting system.

There is no such thing in the Federal Government as a complete system of accounts in the sense that a simple set of books reflects *all* the financial transactions of the Government. Furthermore, the accounts kept in the different agencies are on entirely different bases. . . . These various systems have never been brought together and correlated into a single system.

In fact, the accounts are spread in seven different systems located in the Treasury, the executive departments and agencies, and the General Accounting Office under the Comptroller General, and kept in whole or in part in 175 different agencies.

At the present time, the lack of uniformity in classification and nomenclature, and in procedure, prohibit any kind of consolidated report or any kind of unified report upon which to base fiscal policy and genuinely intelligent control by Congress. Also, the books of the government do not now show the liabilities of the government on account of unliquidated obligations, or vouchers payable. Neither do they show the amount of checks outstanding against the Treasury.

In Mr. Bartelt's opinion, "the most effective way to develop the accounts in the several departments to the highest standard of uniformity and accuracy would be to tie such accounts into the financial accounts of the Treasury." This would be done through Treasury control accounts without duplicating the detailed accounting in the agencies.

The author's last suggestion for a truly independent postaudit agency, responsible only to Congress, directs attention to the anomaly of the Comptroller General's office. This office was created by statute as an agent of Congress with authority to prescribe accounting systems, to audit transactions, and to determine in advance the legality of expenditures. In this office, therefore, were combined auditing and large administrative powers with the result that in the hands of legal-minded comptroller generals the administrative control completely overshadowed the accounting function. The present Comptroller General's office is both judge and jury responsible to no one in its veto of administrative action.

The accounts of disbursements are rendered to him; his officers audit them and decide what shall be allowed and what disallowed. Thus, it happens that in a disputed case the meaning of Congress is interpreted not by Congress itself or by a committee of Congress but by an agent of Congress . . . in the Federal Government the accounting is made to . . . someone who may even have played a part in the determination of the propriety or legality of expenditures which he audits.

An outgrowth of this kind of control is one of the major abuses of government service, the liability of the disbursing officer for expenditures which the Comptroller General may decide to question. If the payment is made without fault or negligence, the disbursing officer is generally able to obtain necessary relief legislation from Congress. If relief is not granted and recovery cannot be effected, the government sues on the disbursing officer's bond. Clearance under his bond may be delayed a matter of years. This is an intolerable responsibility to place upon the disbursing officer for administrative actions in good faith. Mr. Bartelt would provide machinery for appeal from decisions made by the Comptroller General's office.

As for the failure of the Comptroller General to prescribe accounting systems, Mr. Bartelt remarks:

Whether he did not observe the missing link in the

Government's budget and accounting system, or whether he failed to appreciate its relative importance, I am not prepared to say. Perhaps he was unmindful of the purpose of the Congress with respect to the centralization of the account-keeping functions in the Treasury, for it was within his power to pull together the loose ends of the scattered accounting records and to tie them into a single centrally controlled bookkeeping system. . . .

The status of the Government's account-keeping and reporting functions today indicates either that [he] did not have the required time to devote to the problem or [he] did not fully understand the problem involved.

Mr. Bartelt's conception of postaudit reports by a truly independent agency of Congress embraces an audit

not only of the personal accounts of collecting and disbursing officers (as at present) but also of the accounts from which the financial condition of the Government is determined and publicly reported. There should be an audit of the published financial statements of the Government. These audit reports should disclose (1) errors in principle, (2) errors in facts or figures, and (3) improper presentation. They should also contain recommendations for improvement. An example of the service which a proper audit report could render would be in pointing out cases where the financial reports do not adequately reflect the real cost of maintaining a given function or service.

The book is a most important contribution to the literature on federal government administration. With its conception of governmental organization and of sound accounting, this reviewer and presumably every accountant is in hearty agreement.

MR. SELKO's academic treatise endeavors to show in detail the evolution and the present organization of the fiscal arm of the government. His stated purposes are "(1) to examine closely the nature of these principles as they relate to financial organization and the conduct of financial operations, (2) to define the essential elements of a financial system adapted to our form of government, (3) to bring sharply into focus the issues presented by current problems of financial legislation and administration, and (4) to offer practical suggestions for resolving these issues."

A great part of the book is a factual study which in its organization and synthesis of a quantity of historical material is a valuable addition to the reference books in this field. If the author had limited his work to this scope, there would be little adverse criticism. As it is, he draws conclusions and makes recommendations that, in the opinion of this reviewer, reveal his lack of practical experience. In par-

ticular, his proposals with respect to improved accounting procedures seem neither logical nor practical.

Mr. Selko's contention is that the needed improvements in the accounting procedures "are not primarily matters of organization. The history of the system," he says, "shows the necessity of both centralized accounting control and rendering it independent of the spending agencies."

Everyone will agree with him in the necessity for centralized accounting control, and everyone will agree in the necessity for independent audit. But there the agreement ends. For Mr. Selko would concentrate accounting and audit in the Comptroller General's office as an agent of Congress. He finds it entirely "logical" to combine the bookkeeping and the auditing functions in that office. He would make the Treasury a mere cashier, and set up the Comptroller General as the supreme power over the fiscal operations of the government. He finds this concentration of power essential to congressional control of the purse, and inevitable under our governmental theory of the separation of powers.

The central issue on which Mr. Selko disagrees with Mr. Bartelt and with most accountants and students of administration is whether governmental accounting is a function of the executive or the legislative branch. Mr. Selko takes the position that not only the appropriation of funds but the oversight and control of the expenditure step by step is a legislative function.

Control of treasury receipts and issues may be made more efficient by having all warrants issued directly by the comptroller general without the signature of the secretary of the treasury. With the comptroller independent of the spending agencies, it is no longer necessary that the secretary of the treasury be required to prepare the warrants acknowledging receipts and authorizing issues or transfers of Treasury funds. As all warrants now require independent verification in the General Accounting Office before the comptroller general affixes his countersignature, the necessity of preparing them in the Treasury Department causes unnecessary delay in the conduct of government business and does not add materially to the protection afforded the Treasury. On the other hand, if all warrants were issued directly by the comptroller general, it would expedite both the receipt and expenditure of money without lessening the protection which the warrant system affords over the Treasury.

This confusion of preaudit and postaudit functions characterizes Mr. Selko's entire dis-

cussion. In his view, unless the Comptroller General's preaudit authority be retained and enormously expanded, Congress has no means to hold the executive branch responsible for illegal or irregular payments. Yet with prompt and adequate audit and reporting—something the Comptroller General's office has so far failed utterly to perform even within its present authority—there should be sufficient control by Congress through its power to refuse future appropriations.

No legislative body is geared to perform administrative functions; the committee system breaks down in any situation where speed and decision are requisite. And this fundamental weakness is not offset by setting up a quasi-executive, quasi-legislative, quasi-judicial office to function in place of the Congress. Mr. Selko completely overlooks the fact that the basic weakness of the Comptroller General's office now is that it combines in one agency diverse administrative, bookkeeping, and auditing powers in such fashion that efficiency in accounting and reporting is impossible. Its only function should be auditing; if it is to be a bookkeeper as well, who is going to audit the quasi-auditor? Surely not Congress!

This reviewer must also take issue with Mr. Selko's proposal that not only the disbursing officers in the administrative agencies, but also the administrative officers shall be held responsible under bonds for any disbursement with which the Comptroller General may subsequently disagree. Carried to its logical conclusion, his thesis is that every agent of the government be held personally liable for every administrative act and decision; that, in short, such agent be liable under his bonds not only for dishonesty but for errors in judgment.

One of the main purposes of governmental accounting, he indicates, is to save the government from any loss through the actions of its agents. Yet in no activity of life, in no organization of any kind, is it humanly possible to be 100 per cent right. Why should the government be above loss, at the expense of the *personal* liability of agents for administrative decisions made in good faith? Apart from legal limitations upon funds, why should the judgment of the Comptroller General's office be superior to the judgment of the administrative officer charged with carrying out

a particular responsibility? In the opinion of this reviewer, administrative and disbursing officers should be held liable under their bonds only in cases of dishonesty, for with a new centralized accounting control, postauditing, and current reporting to Congress, questions of statutory interpretation and administrative judgment could be cleared promptly without saddling the entire responsibility upon the individual who made the disbursement.

Mr. Selko's lip service to the need for a uniform accounting system is another point of disagreement. He agrees that more uniformity is desirable, even necessary; he does not agree that uniformity should be enforced throughout governmental recording. He finds that the optional uniform systems developed by the Comptroller General's office are adequate. The fact that such accounting has not been developed for a number of agencies, that adoption is optional, and that no follow-up is made to discover whether or not suggestions are adopted, does not appear important to him. The reason, he finds, is that the Comptroller General's office has not had the money or the personnel to do a complete job. In this conclusion Mr. Selko is much more optimistic than the facts warrant. If after twenty years of the Comptroller General's office, the accounting systems of the government are still inadequate to give a complete picture of the government's financial position, one may justly conclude that the trouble is considerably more fundamental than the reason given and that the Comptroller General's office was not genuinely interested in improved accounting.

Mr. Selko's discussion of budget control is one of the better sections of his book. The Bureau of the Budget as now organized is an executive fact-finding agency, with authority only to reduce or revise a departmental budget and to apportion the total amount of an appropriation over the fiscal period. It cannot make any allotment with respect to particular projects, types of work, or objects of expenditure. Its potential value for fiscal control is limited by the fact that as an executive agency it can aid Congress only to the extent that the President is disposed to cooperate with Congress and share responsibility for the final legislative result. Congress can, therefore, look for guidance in budgetary matters only to the

clumsy system of committee hearings and to the President's annual budget message. As a source of information, Mr. Selko shows, the existing committee procedure presents two serious difficulties:

1. Independent and successive consideration of financial measures by each house tends to permit compromise rather than the development of sound financial principles to determine the final legislative result.
2. Separate consideration of revenue and expenditure bills precludes the possibility of intelligent action on the financial program as a whole.

Mr. Selko's general attitude is that the pattern of governmental organization has been established, and that to revise it in whole or in part to produce the kind of administrative efficiency and responsibility which characterizes business procedures is to undermine democratic institutions. This is a conclusion with which few can agree; it is a conclusion

which Mr. Selko's own presentation of material does not support.

If the right organization has not developed automatically, surely it is proper to the democratic process to revise both organization and procedure to conform to principles and to new functions. If the sections of the present pattern do not dovetail because they have been developed piecemeal in the past, surely it is now not only proper but essential to the democratic theory of government to coordinate and streamline the pattern in keeping with a broad conception of all the processes of government. Mr. Selko's brief for enlarging the Comptroller General's control does not satisfy this conception; in the opinion of this reviewer, it would only aggravate flaws in organization and procedure which are becoming progressively more serious.

GEORGE P. ELLIS, C.P.A.

The Total Services of a Community

MONTGOMERY COUNTY SURVEY, by THE MONTGOMERY COUNTY SURVEY BOARD AND SURVEY STAFF. Public Administration Service, 1940. Pp. xix, 529. \$3.50.

Too many surveys in the past have dealt with but one or a few of the agencies or services in the county, community, or state concerned rather than with the total group of governmental services. Some surveys have limited themselves to the schools, others to some single service such as taxation. The *Montgomery County Survey*, however, is a comprehensive study of the operation and interrelationships of all local governmental services. Can an analysis of one isolated unit lead to valid conclusions without complete consideration of all the other related units? Can an analysis even be made of a service without involving the study of related services? The Montgomery County Public Advisory Committee thought not.

As a result of the financial crisis in Dayton, Ohio, which resulted in the closing of the public schools, a county-wide organization known as the Montgomery County Public Advisory Committee came into being in November, 1938. During the summer of 1939 the committee and local citizens secured voluntary contributions to make a survey of local governmental services

in Dayton and in Montgomery County. Col. Henry M. Waite, the first city manager of Dayton, Dr. George A. Works, of the University of Chicago, and Mr. Herbert Emmerich, associate director of the Public Administration Clearing House, Chicago, were invited to act as a survey board to organize and supervise the study, and to formulate conclusions and recommendations.

Although the emphasis of the report is placed upon the problems of the public schools, the study is nevertheless a comprehensive analysis of all local governmental resources and services. Through the use of observation, interviews, questionnaires, and studies of reports and other pertinent written matter, the survey staff developed a picture of county administration and finance, tax administration, the public schools, public welfare, public health, and the other aspects of governmental services in Dayton and Montgomery County. They also described the trends which led to the present status. The history of many of these trends—especially of the curriculum of the public schools—reflects a national as well as a local development.

The value of the completed survey is enhanced by the keen analysis of the validity of the data and an evaluation of the methods used in gathering information. The thoroughness of the study is attested by the inclusion of over two hundred tables, exhibits, and outline maps, which greatly aid in understanding the information presented. Not only are the tables numerous, but they are clearly formed, clearly titled, and easily understood.

A commendable feature of the format of the book is the placing of the conclusions and recommendations at the beginning. There is danger, however, that the reader accept the conclusions and recommendations without perusing the data in the survey proper. Frequently many of the conclusions and recommendations in surveys are based upon certain points of view and principles, and the reader should understand the train of thought that led to the recommendation before he evaluates it. Hence it is very necessary for the reader to consider the data presented in the later sections of the book. Moreover, these recommendations were set up for Montgomery County only and the reader should understand the conditions existing in that county before applying the recommendations to other situations.

Twenty-two school districts, fourteen townships, twelve villages, five school library districts, three cities, one county, one county general health district, one county school district, and one conservancy district comprise the sixty local governmental units serving Montgomery County. The survey concerns itself mainly with the city of Dayton, not as an independent city but as an integral part of the county. The county point of view seems to be fundamental in all the recommendations. The survey staff seeks in its recommendations to eliminate overlapping of services and to include necessary though heretofore omitted, activities. For instance, the villages and townships are urged to contract for police, fire, library, recreation, and other services from the corresponding Dayton units. Dayton is asked eventually to annex the second of the three cities in the county. Consolidation of school districts in the county is proposed. Through the acceptance of the idea of the "oneness" of the city and county the staff presents the possibility of achieving greater efficiency and greater economy.

An interesting recommendation as regards

the public schools is the proposal of the "8-4" system of organization. In Dayton at the time of the survey one school accommodated grades 1-4, eighteen schools grades 1-6, seven schools grades 1-7, nine schools grades 1-8, four schools grades 1-9, one school grades 7-9, three schools grades 7-12, one school grades 9-12, and three schools grades 10-12. "In short, there are nine separate groups based on grades accommodated, with no distinct pattern of grade organization. . . . The adoption of the 8-4 organization would make it immediately practicable to improve the organization of the schools, and would cost a negligible amount as contrasted with the expenditure that would be necessary to put the junior high school organization into operation throughout Dayton." Furthermore, the authors contend that the establishment of junior high schools on a scale necessary to meet the needs of Dayton would call for expenditures far in excess of those the city is in a position to make at this time or at any time in the near future. There are, however, a number of school people who would contest any assumption that the 8-4 plan is less expensive than the 6-6 plan.

The addition of an assistant superintendent in charge of curriculum, a director of research, and a director of personnel, and the establishment of a city-wide central advisory committee charged with stimulating and guiding study of the school curriculum are examples of the type of services that the staff would like to see created.

Throughout the report careful consideration is given to the financial implications of all recommendations. A thorough analysis of the tax structure of Montgomery County and proposals for an improved tax system are included in the report. Statements concerning the teaching staff and its salary schedule, school buildings and their maintenance, administration and additional services, and consolidation of areas are all made in the light of available revenue. A pay-as-you-go plan is strongly suggested for the schools and the county. On the whole the authors of the report have taken an optimistic view, and present a constructive analysis rather than a destructive criticism of the existing conditions.

The survey stresses the need for "reawakened citizen interest in municipal elections, commission meetings, and civic affairs in general. . . . in order to secure better . . . gov-

ernment." One means suggested for the enlightenment and stimulation of the citizenry is "better presentation and wider circulation of a complete annual budget document which would include comparisons of revenues and expenditures with those of previous years and a detailed explanation of the city's program proposed for the new year. The budget document should include estimates of resources and needs for the next six years and a summary of trends for the preceding six years."

The *Montgomery County Survey* sets a stand-

ard for similar studies in other areas. Its data are presented with keen analysis and recognition of difficulties encountered because of the data-collecting techniques. The conclusions and recommendations are made with all due consideration to existing limitations, financial and otherwise. Above all, the survey is a study of the total services of a community; the study of the complete governmental structure gives the *Montgomery County Survey* its greatest merit.

WALTER D. COCKING

A Symposium on Administration

PUBLIC MANAGEMENT IN THE NEW DEMOCRACY, edited by FRITZ MORSTEIN
MARX. Harper and Brothers, 1940. Pp. ix, 266. \$3.00.

THIS book contains statements by fifteen persons engaged in public service or related fields who took part in a conference sponsored by the *Harvard Guardian*, an undergraduate magazine. Certain underlying assumptions need to be mentioned. First, the book, as well as the conference which it reflects, is intended to answer an expressed interest by undergraduates, hence it must be judged in part by the success with which it performs this task. Second, in the Foreword occurs the statement that certain "responsibilities fall to the government by common consent," interstate commerce, money, agriculture, federal housing, electric power, rural resettlement—a considerable assumption even as explicitly stated, aside from the obvious implications. Third, the book tacitly accepts what needs to be expressly stated, namely, that in recent years a major shift of emphasis has occurred in public interest in our government from the more pyrotechnic displays of "objectives" in political campaigns and legislative programs to the hitherto drab problems of everyday public administration. The prospective administrator, as well as the more penetrating student of social relations, will welcome the way in which this volume presents public administration in its better light as an increasingly respectable and dignified profession, the members of which are engaged in a branch of the government service which provides the pragmatic test of the worth of the legislative and judicial processes.

The first and last chapters of the book de-

velop what might be called the contextual or environmental conditions affecting the public service. They deal, respectively, with the broader social assumptions of public administration and with the more particular relationships of the executive to the legislative and judicial branches. Max Lerner leads off in the opening chapter by calling attention to some of these fundamental assumptions, especially the resolution of the problem of laissez faire or control; here he asserts that governmental control of economic activities is no longer a question of "whether," but of "how," a problem especially difficult with an instrument so cumbersome as democracy. Industrial technology may have provided a tougher nut for a democratic government to crack than has a disintegrating private economy. A virtual Taylorization of some phases of public administration has, however, met even that challenge through broad-scale planning, through new devices such as commissions and government corporations, and—even more important than any blueprint or structural changes—through the infusion of brains into the public service.

The final chapter, "Administrative Responsibility," was written by the editor of the volume and ably deals with that crucial problem, the "understandable fear" which the public administrator has of the judiciary, a fear "which is by no means identical with genuine deference to the law."

The author might have gone even further in pointing out that our tradition of regarding

legislation as a final answer to all social ills and problems—"let's have a law on the subject"—has not only detracted from the importance of the administrative process; it has also developed a type of legislation which is so explicit and detailed, which not only translates determined objectives into public policies but also specifies the means by which they are to be carried out, that administrative judgment is reduced to a minimum. That "administrative agencies may be said merely to carry out the letter of the law as laid down by the legislative body" is a correct statement of the attitude in this country—an attitude which sadly confuses, however, the distinction between the broader administrative possibilities of good government and the narrower executive functions to which administrators in the United States are sometimes confined.

In between these two "cover" chapters of the book are matters which, with exceptions to be pointed out later, are apt to confuse rather than enlighten the prospective administrator. This is not due to faulty or inadequate material, but rather to the apparent inability of some of the authors to distinguish between the problems and subject matter of pre-entry education and those of in-service training. Practically all of these men recognize this distinction. Nevertheless, they can refer to it explicitly and yet unconsciously lose sight of it by discussing many problems which can be understood and studied only during the post-entry period.

This criticism applies especially to Part Two, "Essentials of Public Management," with four chapters entitled respectively "Information," "Leadership," "Teamwork," and "Administrative Coordination"; it raises a fundamental problem of education. Well written by men who are able and understanding in their fields, these chapters contain a mass of information which—except for David Coyle's references to the advisory functions—must overwhelm the student of government, much as "methods" abstractly studied in a school of education are meaningless to those who have not yet taught.

Whether pre-service training for public administration can extend much beyond rigorous grounding in fundamental subjects, such as philosophy, the social and natural sciences, and the instrumental or "tool" subjects, such

as statistics, rhetoric, and languages, is a matter of serious doubt. More certainly may it be said that we have barely begun to realize the possibilities of in-service training. Used for the latter purpose, especially in the form of case material, Part Two would be excellent. But it would have been a welcome addition to any or all of these chapters if the more basic problem of pre-entry training had been more explicitly formulated, or if some answer had been advanced and supported by facts. As will be recognized, this is the old, old problem of the educational curriculum. And I am not merely expressing an opinion¹ when I assert the necessity as well as the desirability of confining the basic curriculum largely to fundamental subjects, and of deferring most of the practical, applied subjects to the post-entry period. In-service training, developed through staff meetings and seminars and dealing with case material, is merely beginning to disclose its educational possibilities. But it has its place, and it is doubtful if much of its subject matter can be anticipated in pre-entry preparatory work.

Part Three, "Recruitment for the Public Service," begins with a chapter entitled "The Relevance of Foreign Service"; what is dealt with is a comparative survey of foreign services. This theme recurs in the first part of the next chapter, "Conditions of Reform in the United States"; a chapter which then, in spite of the title, gives some of the meatiest information of the book to aspiring public servants. This same standard is maintained in the succeeding section, "Problems of Selection," written by Samuel H. Ordway, Jr., a man whose vigorous and imaginative presence on the United States Civil Service Commission was altogether too brief. The final chapter of Part Three, "Youth and the Public Service," is the contribution of a younger man who well presents his case.

Part Four, "Conditions of Public Employment," includes two chapters on the rank and file and on civil service unionism, which excel-

¹The conclusion is borne out by the experience of some nine thousand employees of the U. S. Department of Agriculture, stated in answer to the questions, What did you study in college? What subjects helped you most in performing your present duties? What do you wish you had studied, or studied more of? Cf. "Training for Professional Service in the Field of Agriculture," November 2, 1938, mimeographed, U. S. D. A.; also *Extension Service Circulars* 295 (November, 1938) and 315 (November, 1939), "Preparation and Training of Extension Workers," U. S. Department of Agriculture.

lently present the case of those who presumably will be under the jurisdiction of the well-trained professional administrator. And a third chapter, on political neutrality, equally well anticipates some of the more delicate situations about which a public administrator needs to be warned. The last chapter of this part and of the book could well have appeared as a separate finale to the entire volume.

What can be done by our colleges to prepare young people for public service? Is there enough material in their present curricula to furnish students, with proper guidance, a satisfactory pre-entry training? Is administration, as Mr. Ordway says, "a separate art or profession with underlying principles which can and should be studied and understood," like biology or law or medicine? Should such studies be deferred to graduate work? Or should a course on public administration be added to the already crowded college curriculum, or supplant such courses as could well be dispensed with? Can such courses prepare men for the subordinate posts they will occupy at first, without orienting the material too exclusively

for potential future presidents of the United States? Can such a course be organized so as to be of value, in the sense of a "liberal" education, even to those students who are not intending to enter public service? Are the openings for college graduates sufficient in number and importance to warrant authorization of such courses by committees on curricula? These are problems which might have been more directly attacked, for a surprising amount of pertinent information might be obtained from young people who are squarely facing these problems.

Separate bibliographies for each of the four parts are assembled at the end of the book; they supplement a fairly extensive set of references scattered throughout the volume. Altogether, the publication of this volume affords an excellent beginning for assessing the possibilities in the field of public service. Especially to be commended is the conference which provided the basis for the volume and the further conferences of a similar nature it is bound to encourage.

CARL F. TAEUSCH

A Code of Office Procedure

THE ART AND TECHNIQUE OF ADMINISTRATION IN GERMAN MINISTRIES, by
ARNOLD BRECHT AND COMSTOCK GLASER. Harvard University Press, 1940.
Pp. xiv, 191. \$2.00.

IN ENGLAND civil servants are recruited from the universities, and when they get bored they go abroad." Thus summarized one of my Harvard freshmen part of his readings for the introductory course in modern government. The epigram was rather sweeping for its source, a British authority, merely elaborated the value of travel as a way of providing the administrative mind with fresh experience. Attachment to one single government activity, indeed, gives even the best career man something of a provincial outlook; and where classification is as narrow and tight as in the United States, the danger of restricted perspective is particularly acute. It is a wholesome sign that so many of our ranking practitioners of public administration are alert to the menace of microcosmic self-isolation. They will welcome the stimulation of travel abroad which this book provides at the cost of just one steward's tip.

Few American visitors are likely to have gained a more intimate picture of the administrative process in Germany's central departments than that here drawn. There is in fact no more competent *rapporteur* in this country than Dr. Brecht, formerly a *Ministerialdirektor* in the Reich Ministry of the Interior. Much credit for the form of presentation is also due his junior partner, now winning his spurs in the United States Department of Agriculture. The result has been a perfect blending of two different types of firsthand knowledge of administrative technique. Domestic parallels suggest themselves easily, and no special guidance is needed for full understanding.

The main part of the volume consists of an excellent and liberally annotated translation of the General Code of Administrative Procedure in the German Reich Ministries of 1926, including the Filing Room and Copying

Office Codes. An introductory part contains the desirable systematic exposition of the organization and operations of the national departments. It is implemented by a history of the origin of the General Code, on which Dr. Brecht's commentary is in the nature of direct evidence since he served as the chairman of the interdepartmental committee that framed the regulations. In the concluding part we are offered a very useful glossary of German administrative terminology. The relative brevity of the index is compensated for by a detailed listing of topics in the table of contents.

Date conscious readers may be expected to raise the obvious question whether or not this is another post-mortem. Were it that, it would still be an imposing testimonial. As a matter of fact, however, just as the General Code reflects a synthesis of civil service traditions reaching far back into the past with novel arrangements necessitated by the adoption of republican government, so has it "continued without substantial change under authoritarian rule" (p. vii). This is not as paradoxical as it might appear. Constitutions are apt to give way under strain, and ideologies can be displaced by revolution. Tested standards of public management have greater survival power unless the administrative system itself disintegrates. No such disintegration occurred either in 1918 or 1933. It is true, in view of the unqualified acceptance of the leadership symbolism, the ethics of the career service in National Socialist Germany are not easily assessed. Less dubious is the role the merit bureaucracy is playing under totalitarian auspices as a force checking the irrationalities of the one-party system. Since the days of Hitler's seizure of power, with the brown shirts in uncontested command, the civil service has made an amazing comeback. War conditions have intensified the development, placing in bold relief the organizational and administrative ability available in the government departments.

How does one achieve an end so often declared impossible of attainment—a common code of procedure for all of the central agencies? Although Dr. Brecht's task was simplified by the career complexion of his interdepartmental committee, he was not unmindful of the inherent difficulties. But he succeeded in winning his colleagues over to a method which, while slow, "was the only one offering pros-

pects of success" (p. 15). The group resolved to go into every detail in a long series of carefully planned sessions; to single out solutions generally recognized as the best by all members; to provide for alternatives in individual cases where deviation was indicated for concrete reasons; and to give each department head full freedom of variation should he consider departures imperative. The last-mentioned formula proved to be priceless; it disarmed all mental reservations and produced a cooperative atmosphere. After nearly two years of exploration and analysis, the committee members had reached a point where they could put the fruit of their labor into "the most simple and precise language of which they were capable" (p. 16). The draft was sanctioned by the cabinet without a question, and the escape clause, essential at the beginning, was seldom employed. So well did the code speak for itself that to fall in line became a convenience.

Among the code's distinctive features is the devolution of responsibilities for the conduct of ministerial business from the apex of the hierarchy to the division chiefs and the higher civil servants working under them. The framers saw to it that administrative "bottlenecks" would be eliminated "while securing perfect centralization in direction" (p. 30). It is interesting to notice that the same fundamental conception has been carried forward another step by the Administrative Simplification Decree issued by Hitler on the eve of the second World War. It calls for the greatest amount of departmental self-exertion, for quick, unbureaucratic, and independent action, and for joint administrative effort without friction and delay. For this purpose it authorized the central departments to delegate powers reserved to them by law to subordinate agencies thus giving the field services wider leeway and broader opportunities for immediate action in their respective areas. The tendency displayed in the decree toward deconcentration of operative responsibilities suggests sound counsel. The man primarily identified with it is that embodiment of permanency, Dr. Hans-Heinrich Lammers, now a Reich minister, whose government career spans across the entire sequence of regimes that twentieth century Germany has witnessed. As chief of the Chancellery Dr. Lammers is a member of the six-man directorate under Göring's chairmanship, the Minister

Council for National Defense, which is at the present time the Third Reich's supreme legislative and executive organ placed directly under the *Führer*.

It is one thing, however, to identify a leitmotiv of good administration, and another to give it effective expression in the day-by-day practice of the departments. In this latter respect, the General Code is truly an extraordinary document. Its meticulous specifications cover the entire range of conceivable office transactions, thus furnishing the American administrator for the first time with a thoroughly tangible exhibit to serve as a basis of comparison. Once he has read this little book, he will see more clearly that its contents are wholly germane to the problems he himself is facing, for "the technique of administration is not immediately dependent on the political form of government" (p. vii). Here he finds a procedural pattern that aims at utmost economy of

energies, simplicity in the division of labor, and immediacy of decision. In the words of the authors, "The Germans dispensed with a number of devices hitherto always thought necessary for the conduct of any large subdivided office. That these mechanisms were actually unnecessary is indicated by the fact that they have not been reestablished. It would be well for the American administrator to take stock of the procedural machinery within his office and ask himself whether each executive or clerical control operation really justifies its money and time cost in terms of error-prevention, coordination of action, and informational control" (p. 42). We must be grateful to the authors for having lifted this treasure of administrative wisdom from virtual obscurity. The book will be placed unquestionably among the outstanding works in the widening field of public management.

FRITZ MORSTEIN MARX

Adjustment of Local Areas

PROBLEMS IN SERVICE LEVELS: THE READJUSTMENT OF SERVICES AND AREAS IN LOCAL GOVERNMENT, by WILLIAM SEAL CARPENTER. Princeton University Press, 1940. Pp. viii, 234. \$2.50.

THIS small exploratory volume fails to fulfill the promise of its title and subtitle that it will furnish the reader with new insights into problems encountered in the readjustment of services and areas in local government. The persistent problem of securing simple integrated local governments providing necessary services in areas large enough to support these services financially and yet small enough to be practically subject to popular control is stated first in the preface but not again until the closing pages of the volume. And even here the author assumes that "the methods of action whereby self-government, effective service areas, and taxpaying capacity can be brought together in a nice poise and balance are well-known."

To put it mildly, this assumption is debatable. The author implies in his preface that the colonists had solutions to the problem if we would but use them. These solutions are consolidation, annexation, and the special district. One chapter is devoted to the legal bases of consolidation and annexation in the various states, but does not discuss the more pertinent

economic and political problems, which, at present, are the most realistic problems of service areas and levels in metropolitan areas.

Discussion of the special district is reserved for the final pages of the book where it is advanced as a method of solving the service problems of rural New Jersey townships containing urban concentrations. In such townships as cannot support all local government services throughout the area it is proposed to establish schools, roads, welfare, and health on a community-wide basis as "basic" services delegated by the state to the locality for the benefit of the entire community, and to create special districts for the provision of "purely local" services—such as police, fire, sewers, lighting, and garbage removal—for those who wish and can support them.

This may be a sound solution to the problems of New Jersey township government for which it is advanced, but to this reviewer it appears to be based on a purely arbitrary classification of functions, which, at it stands, would be serviceable in very few situations; and in addition it

creates unnecessary complications of citizenship for the individual taxpayer and voter. In modern times police and sewage disposal functions apparently have "community-wide" aspects as important as those of schools, roads, health, and welfare.

The special district is customarily advocated by those who are concerned with the best possible performance of a single function of government. If education is conceived as being of primary importance and superior to all other governmental services, then the special district affords the opportunity to secure an adequate tax base, a reasonable service area, a protected tax rate, and "high-type" officials through elections isolated from the hurly-burly of practical municipal politics. But if our primary concern is not an isolated function of government but government as a whole, the special district has small attraction. Experience demonstrates that the typical citizen has neither time, inclination, nor ability to participate in or control several units of local government governing him concurrently. One shudders to think of his living in special fire, police, garbage collection, and sewage disposal districts, each with an independent set of elected officials, a separate taxing power, and a different constituency.

The problem of effective service areas for local government can hardly be discussed without reference to the ability and willingness of superior levels of government to share taxes and other public income either with or without control of personnel and performance. Yet no mention is made of interlevel relationships in this book.

The experiment with the deorganization of Maine towns which have lost their financial capacity to support local government is important but it hardly deserves the greater part of a whole chapter as compared to only a footnote reference to county zoning in Wisconsin, which is restoring the economic health of rural areas

and, therefore, their capacity for local self-government.

The most valuable sections of this book are the chapter devoted to interjurisdictional agreements and the extensive bibliography. The author suggests, however, that interjurisdictional agreements should be made subject to the approval of "an appropriate state agency." This is another example of the widespread desire to hold local government in leading strings. Local governments which are unable to manage their finances soundly deserve some form of outside control. But local governments which meet the test of financial soundness are often more competently manned than the state governments which seek to control them and deserve maximum freedom to find solutions to service problems by agreements with other units.

The author hopes that "other students of local government will join in carrying further the work in which we have been engaged." Such further study, to be most helpful in municipal administration, must relate the area problem to interlevel functional and financial relationships. It is by no means futile to hope for single units of local government supplying services in areas large enough to support these services, financially and fiscally integrated with superior levels of government which supplement these services by sharing income and providing central leadership with a minimum of control. But such a solution cannot be reached without intensive research aimed at discovering suitable indices, based on population, area, and economics, of adequate financial capacity to support individual governmental services, manned by competent personnel and subject to effective popular control. Separate studies of education, safety, health, welfare, transportation, and public works may then be related in order to point the way to integrated local government.

LYMAN S. MOORE

Contemporary Topics

Local Government Employment Data

INFORMATION on local government employees and pay rolls is being gathered currently for the years 1940 and 1941 by the Bureau of the Census and for the years 1929 through 1939 by the Bureau of Labor Statistics.

The Census Bureau's Division of State and Local Government began early last year to issue state and local quarterly employment surveys. In the new series, bulletins are issued giving data on individual states, cities, counties, and other units; and recent reports show the type of work done by state and municipal employees, exclusive of school employees.

The Bureau of the Census has long been engaged in compilation of local statistics, with varying degrees of emphasis. A decennial canvass, now called "Financial Statistics of State and Local Governments," originated in 1850 with the report on "Social Statistics." In 1880, two separate decennial reports in this field were authorized—"Wealth, Debt, and Taxation," and "Social Statistics of Cities." The latest of these decennial canvasses was in 1932, and plans are now being made for the 1942 survey, which will cover the more than 180,000 units of government in the United States. The bureau was authorized, upon the creation of the Department of Commerce and Labor in 1903, to continue the annual "Statistics of Cities Having a Population of Over 30,000," which had been compiled by the Bureau of Labor since 1898. Since 1932, this city series has been confined to financial statistics and covered only cities of more than 100,000 population, but a restitution to its former coverage is expected to be authorized.

Financial data for counties including within their boundaries a city of over 300,000 population have been compiled since 1907. Annual *Financial Statistics of States* were added to the division's work in 1915, and after a temporary elimination in 1933 were restored beginning with 1937 reports. Illustrative of the other types of information compiled at present by the division are summaries of state tax collections and

propositions voted upon in state and city elections. A Municipal Reference Service has been established to maintain state and local government documents and other sources of governmental information for the division, and to answer inquiries in this field by correspondence or by the loan of documentary material to federal, state, and municipal officials and research workers.

The Bureau of Labor Statistics' survey, made in cooperation with the Work Projects Administration, provides the basis for current reports of the Bureau of the Census. Separate reports are being issued for cities with a population of 100,000 or more, and eventually summary bulletins will be available on a sample of smaller cities, counties, and minor civil units. These reports cover public school systems. In addition, information is being compiled for the same period on hours of labor and expenditures by cities and states for construction and repairs and the amount of employment resulting therefrom.

Centralization of Tax Records

A NEW centralized tax record system in Colorado includes in a single file a record of the payments by each taxpayer to the several tax-administering agencies. All relevant information for each taxpayer on sales, income, motor fuel, and inheritance taxes goes on a single card as a permanent record, while a smaller card, with less detail, is used for monthly entries.

Colorado is one of six states having five separate agencies to administer major state taxes—gasoline, income, sales, tobacco, property, death and gift, liquor and motor vehicle taxes. Fourteen states have two agencies administering major taxes, eleven have three agencies, seven have four agencies, one state has six agencies, and one has seven agencies.

In a trend toward integration of the functions of tax administration, eight states are now using one agency to administer major taxes. The reorganization of tax agencies is expected to be dealt with by several legislatures now in session.

Defense Councils Established

THIRTY-NINE states and about a thousand localities now have official advisory councils or coordinators of defense, the Division of State and Local Cooperation of the National Defense Advisory Commission has announced.

The War Department and the defense coordinator for health, welfare, and recreation have advised the Division of State and Local Cooperation that the aid of state and local authorities is particularly needed in the development of sound health, welfare, and recreation programs in the areas adjacent to military concentration.

The Advisory Committee on Defense Fire Protection Problems was expected to report to the National Defense Advisory Commission in January on a program of suggestions to state and local governments for defense fire protection.

Virginia Regional Defense Councils

REGIONAL councils of counties and cities, with full-time executive officers, have been appointed by Governor James H. Price of Virginia to coordinate the work of local government defense activities in the important shipbuilding area of Hampton Roads and in the area around the new Radford ordnance plant in the western part of the state.

The council for the Hampton Roads area consists of eighteen members from six counties and six independent cities. (In Virginia the cities, as distinguished from the incorporated towns, are not within counties, but have exclusive powers of local government within their areas.) Major Raymond B. Bottom of Newport News is chairman of the regional council. One member at large serves as liaison with the state defense council, and another as liaison with the state port authority, which has assigned some of its personnel to assist the council. Upon recommendation by the council, the governor named Andre Melville Faure, town planner of Montclair, N. J., as executive officer of the council.

The council for the Radford area consists of twenty members from six counties and one independent city. The chairman is Dr. John R. Hutcheson, director of agricultural extension at the Virginia Polytechnic Institute. Upon request by the governor, that institution as-

signed R. Lee Humbert of its staff and faculty as full-time executive officer of the council. Upon an offer by the Roanoke County Board of Supervisors of the part-time services of E. K. Mattern, county engineer and secretary of the County Planning Commission, the council named him as technical assistant, especially to direct the work of a regional planning committee serving as a staff agency of the council.

In addition to the two regional councils now operating, a council is being organized for the Richmond area to cover nine counties and three independent cities, and another is to be organized for the area adjacent to the District of Columbia.

The functions of these regional councils include the coordination of local government activities which are affected by the defense program, of which some of the most urgent are those relating to transportation, housing, recreation, and health. Maps and data on land use, population, housing, traffic flow, sanitary facilities, utilities, hospital facilities, schools, recreation facilities, and related matters are being gathered to facilitate the work of the councils.

The four regions now being covered are within four of eight areas, coterminous with the eight existing highway districts, which the Virginia Chapter of the American Society of Public Administration recommended be established as defense regions "as the occasion demands."

In a report submitted at the request of Governor Price, the chapter committee stated it wishes to emphasize "the importance of relating decisions on immediate problems to considerations of long-range regional planning" and urged "the inauguration of efforts looking toward the establishment of long-range regional plans as early as possible in the work of each local defense council. . . ."

Many other planning groups of states and cities have been active in the defense program, making special studies or furnishing data already gathered. The state planning boards of Kansas and New York are surveying idle plant facilities and production capacities. Planning agencies of California, Tennessee, and Virginia are doing special research for their state defense councils, and the Arkansas State Planning Board has set up special defense committees to check on manpower, agricultural, forest, and

mineral resources, and manufacturing and transportation facilities.

State Merit System Amendments

MERIT system provisions have been included in the state constitutions of Michigan, Louisiana, Kansas, and Texas through the approval by voters of amendments offered in the November 5, 1940, election.

On January 1, a civil service amendment with unique self-executing provisions became effective in Michigan. The amendment requires the appropriation of "a sum not less than 1 per cent of the aggregate annual payroll of the state service for the preceding fiscal year" for the maintenance of the civil service commission. The commission is given authority to classify all positions in the state civil service, to adopt a comprehensive compensation plan, to approve or disapprove all personal service disbursements, to regulate conditions of employment, to prepare and administer examinations, and to make such rules as are necessary to put into force these personnel powers.

To insure the commission's appropriation another provision states that "no payment for personal services shall be made or authorized until the provisions of this amendment have been complied with in every particular." Thus no disbursing officer would be allowed to make any salary payments, including those to the governor and legislators, until the appropriation for the civil service commission has been made.

The amendment includes in the classified service the great majority of positions in the state government, exceptions consisting for the most part of persons with policy-determining functions or in higher educational activities operated under separate constitutional jurisdictions.

An unpaid bipartisan commission of four members appointed by the governor with overlapping terms is established. The administration of the commission's powers is vested in a state personnel director who is a member of the state civil service, responsible to and chosen by the commission after competitive examination.

The Michigan amendment was adopted after legislation passed in 1939 had made serious inroads on the civil service system set up in 1937.

The Louisiana amendment also affirms unusual provisions for control of the civil service system. The amendment provides that civil service legislation previously enacted cannot be repealed or amended except by a two-thirds vote of both houses of the legislature. This legislation provides for a merit system law for the state and for cities with 100,000 or more population, a category in which New Orleans is the only city.

The five members of the Louisiana state civil service commission, who serve for six-year overlapping terms, are appointed by the governor from eligible lists prepared by the heads of five Louisiana colleges and universities. The director of personnel will be appointed by the commission from a register prepared by a special examining board, and he need not be a resident of the state.

The Louisiana civil service act provides that higher personnel standards required by the federal government for state positions supported in part by federal funds automatically become state law. Two of the three members of the New Orleans civil service commission are chosen by the state civil service commission.

The Kansas amendment permits indefinite tenure of office for classified employees if the legislature should establish a merit system. Tenure of more than four years for any state employee was previously forbidden by the Kansas constitution.

Texas adopted an amendment in November which permitted municipalities with civil service systems to grant indefinite tenure to appointed employees, instead of requiring them to be reappointed at fixed periods.

Federal Merit System Advances During Crisis

ON OCTOBER 5, the Navy Department asked the U.S. Civil Service Commission to recruit 1,200 workmen for duty at the Pearl Harbor Navy Yard in Honolulu. By October 23, 1,202 appointments had been authorized by the commission after it had given consideration to more than 3,800 applicants, examining most of them and investigating their character and citizenship. A week later, 900 of these men were on board ship for Hawaii.

With examples like this of the prompt recruitment of personnel for the defense program

through the merit system, Congress and the President were taking steps during the autumn of 1940 to expand the classified service rather than to exempt positions from it.

The Ramspeck Act, signed by the President on November 26, granted authority to the President to place in the classified civil service more than 200,000 positions and to extend the Classification Act of 1923, as amended, to the federal field service. Besides making possible the inclusion of all but about 50,000 employees of the executive departments within the classified service, the measure authorized several important changes in personnel administration. It gave the President the right, upon the recommendation of the U.S. Civil Service Commission, to authorize certain limited salary differentials for certain positions. It provided that one or more appeal boards be set up in each department to hear employee complaints on efficiency ratings.

An executive order released on November 13 authorized the U.S. Civil Service Commission to supplement its ordinary recruiting methods by using state and local civil service registers of eligibles in making federal appointments, provided such registers meet the requirements of the federal civil service rules and standards.

In the meantime, the U.S. Civil Service Commission was undertaking a joint study with the Civil Service Assembly to discover ways and means to meet the emergency demands upon federal, state, and local personnel administration. The study will investigate the types of facilities of local agencies which could be used by the federal commission in connection with the defense program; the types of possible interjurisdictional cooperation which would be useful if permitted by legislation; and the possibilities of joint recruiting and testing programs and of joint use of eligible lists by various levels of government.

States Establish Welfare Merit Plans

ONE year after the Social Security Board received power to require states receiving federal funds to include in their public assistance plans "methods relating to the establishment and maintenance of personnel standards on a merit basis," examining programs for welfare workers had been initiated in more than three-quarters of the states.

By January 1, 1941, eleven states had completed their initial examining programs for both state and local employees, and two states had done so for state employees only. Twenty-four more states had initiated their examining programs for both state and local employees, and two more had done so for state personnel only.

Qualities of Administrators

STUDIES on the measurement of the qualities of administrators are being conducted along at least three lines at the present time.

Dr. L. L. Thurstone of the University of Chicago is experimenting with a battery of forty tests designed to measure personality traits. The tests are being given to a group of persons who are not administrators and to a group of successful administrators of comparable age and education level.

The Committee on Public Administration of the Social Science Research Council is collecting "interest tests" from several hundred administrators. These tests were designed by Professor Edward K. Strong and will be scored by him for comparison with tests given to other groups. The committee is also consulting with other students of the problem on testing for administrative ability.

Several students and research centers are encouraging the preparation of biographies of administrative officials, so that more information will be available about the techniques used by successful administrators and the types of men who fit best into different types of organizations.

Governmental Films

GOVERNMENTAL film operations are branching out from Washington to other parts of the country, according to reports from the American Film Center. The new color film on the Tennessee Valley Authority malaria control program is being completed and will soon be available for distribution through the Authority's Division of Information. The T.V.A. will shortly put into production a film dealing with the forest fire problem in the area.

The state of Missouri has shown its fish and wildlife conservation film, "Back to Missouri," in five hundred theaters throughout the state and it is now making the picture available for

nontheatrical distribution. The agricultural extension service of Georgia has in production a film dealing with the electrification of farms in the area. Other states are planning film production programs.

Inter-American Congress of Municipalities

THE second Inter-American Congress of Municipalities is to be held at Santiago de Chile September 15-21, 1941. Invitations are now being sent out to municipal officials and students of municipal government throughout the Americas by the Pan American Commission on Intermunicipal Cooperation, which has its headquarters in Havana.

New Council Manager Cities

THE year 1940 saw the council manager plan in the United States adopted by eighteen cities, or more than in any year since 1930.

The greatest number of cities and the largest city adopting the council manager plan during the year were in New England which, until recent years, has been the region in which the plan had made least headway.

Cambridge, Mass., the largest city to adopt the council manager plan during 1940, will bring the number of council manager cities electing their councils under a system of proportional representation to seven. More than five hundred cities in the United States now have the council manager form of government.

Administrative Council in Agriculture

AN ADMINISTRATIVE Council has been created in the U.S. Department of Agriculture for the purpose of stimulating and coordinating the efforts of departmental personnel in the improvement of administrative processes.

The council, which was created after President Roosevelt called on department heads to "survey expenditures and to make reports on administrative improvements, economies in operation, and related matters," is headed by Paul H. Appleby, who at the time of designation was an assistant to the Secretary and has since been made Under Secretary of Agriculture. Charles McKinley, on leave from the

political science department of Reed College, Portland, Ore., is serving as executive officer of the council.

The Administrative Council is designed to bring into a common focus the effort of each of the departmental staff offices to make the management of the department's activities more effective and economical. In a larger sense, the council is expected to deal with the problems of organization and management which arise at the departmental level and cut across the interests and responsibilities of all of the staff agencies.

The necessity for joint effort in the field of program planning and coordination was recognized by the creation of a departmental program board as a part of the internal reorganization of the Department of Agriculture in 1938. The establishment of the Administrative Council in 1940 is a natural evolution of the same idea applied to over-all questions of administrative management.

Administrative Consolidation

THE authorities of rural low-rent housing projects in eleven adjoining counties in southwest Georgia, in view of their identical purposes and standardized methods, have adopted an agreement under which they will act through a single organization to construct and manage the projects. The administrative consolidation is expected to result in savings in the purchase of materials, construction costs, and management.

Each authority names a delegate to an executive committee which will act as an advisory board encouraging uniformity of standards and action. The committee appoints an executive director who serves the eleven counties—all eleven authorities operating as one authority working through one central staff.

While the individual authorities do not lose their identity, the coordination agreement drawn up by the authorities and approved by the U.S. Housing Authority and the Georgia State Housing Board cannot be changed except with the consent of those two bodies. The consent of the U.S.H.A. is required before any authority may withdraw from the agreement.

Fourteen other Georgia county authorities, in the eastern part of the state, are expected to enter into a similar agreement.

News of the Society

HAROLD D. SMITH, director of the budget, Washington, D. C., was elected president of the American Society for Public Administration at its second annual meeting in Chicago, December 28-30. Luther Gulick, director of the Institute of Public Administration, was elected vice-president of the Society. Newly elected members of the Council are Walter W. Finke, director of the Minnesota Division of Social Welfare; Emil J. Sady, administrative assistant, Office of Indian Affairs; and H. F. Scoville, director of the Los Angeles County Bureau of Administrative Research.

The Council, governing body of the Society, now consists of these newly elected officers and council members; William E. Mosher, ex officio in his capacity as immediate past president; five of the nine council members elected at the first meeting, William Anderson, Frederic P. Bartlett, John M. Carmody, Samuel C. May, and Miss Julia J. Henderson; and three members of the 1940 Council, Rowland A. Egger, William A. Jump, and William A. Sponsler III, whose terms expired at the close of the year and who were appointed to the 1941 Council by Mr. Smith to fill the three vacancies occasioned by the lack of two past presidents and by the election of Mr. Gulick to the vice-presidency.

The second annual meeting of the Society was held jointly with the thirty-sixth annual meeting of the American Political Science Association. More than 1,100 persons registered their attendance during the four days of meetings, of whom approximately 250 were members of the Society.

Besides sponsoring a number of sessions jointly with the American Political Science Association on December 28 and 30, the Society held four informal round table conferences and a general session on December 29. The round table conferences were on the following subjects: The Revenue Side of the Budget, Measurement of the Qualities of Administrators, Problems of Office Management, and Research in Public Administration. The general session on the Executive Office of the

President was devoted to the papers which are published in a revised form in this number of *Public Administration Review*.

At the annual business meeting of the Society, December 29, the secretary presented his annual report. On December 20, the Society had 1,209 members and subscribers to *Public Administration Review*. Two-thirds of the members were in the public service. About one-third of all the members were federal employees; about one-sixth, state employees; and about one-sixth, local government employees. About one-fifth of the members were teachers or students.

The growth of the Society has been largely due to the efforts of members who have volunteered to help organize new chapters and get new members. Dr. Mosher, whose valuable services as first president of the Society were acknowledged by a resolution at the annual business meeting, addressed chapter organization meetings in eight cities scattered from Los Angeles to Baltimore. Mr. Bartlett, Mr. Brownlow, Mr. Egger, Miss Henderson, and Mr. Jump are other members of the Council who, during 1940, spoke at chapter organization meetings away from their home cities.

More than four-fifths of the Society's membership is located in the states in which chapters have been organized or chapter organization meetings held. During 1940, eight chapters were organized: Los Angeles, Sacramento, Washington, Chicago Area, Boston, Minnesota, New York Metropolitan Area, and Virginia. The secretary reported that organizing committees had been set up in the San Francisco Bay Area, Baltimore, Albuquerque, Buffalo, Cleveland, and Portland (Oregon). Copies of the secretary's report have been sent to chapter officers, and a copy will be sent to any member of the Society upon request.

Dr. Anderson reported to the business meeting as chairman of the Society's research committee. He stated that it was the consensus of his committee and of those participating in the round table discussion held earlier in the day that the committee should not undertake

research projects, but should attempt to discover fields in which research is needed and exchange suggestions among research committees established by chapters of the Society. The president of the Society was authorized by the business meeting to appoint a research committee for the year 1941.

Leonard D. White, reporting as editor-in-chief of *Public Administration Review*, invited members to submit manuscripts for publication and stated that the editorial board would particularly like to secure articles from state and local government administrators. He indicated that he and the other members of the editorial board would welcome critical comments and suggestions from any member of the Society.

At the meeting of the 1941 Council held on December 30, Public Administration Clearing House agreed to serve as the secretariat of the Society during 1941 under the same arrangements which prevailed during 1940; Robert M. Paige and Don K. Price were reappointed secretary-treasurer and managing editor respectively. Mr. Smith reappointed Dr. White editor-in-chief of *Public Administration Review*, and appointed Gordon R. Clapp, general manager of the Tennessee Valley Authority, to serve with the incumbent members of the editorial board during 1941.

The Council decided that the third annual meeting of the Society, like the first two, will be held jointly with the American Political Science Association. This meeting will be held in New York City on December 27, 28, and 29, 1941. President Smith has appointed the following program committee: Herbert Emmerich, associate director of Public Administration Clearing House, chairman; Earl H. DeLong, professor of political science, Northwestern University; C. A. Harrell, city manager of Schenectady; Pendleton Herring, secretary of the Graduate School of Public Administration, Harvard University; Albert H. Morgan, director of the Bureau of Public Buildings, city of New York, and president of the New York Metropolitan Chapter of the Society; John M. Pfiffner, professor of government, University of Southern California; and Francis G. Wilson, professor of political science, University of Illinois, and chairman of the 1941 program committee of the American Political Science Association.

Chapter News

THE Los Angeles Chapter was formally established at a meeting held on November 25, at which a constitution was adopted and the following officers elected: Roy A. Knox, president; Frank M. Stewart, vice-president; Walter L. Henry, secretary; and George Bemis, Pierce Fazel, Howard Gardner, and John M. Pfiffner, directors.

The Sacramento Chapter is now holding regular monthly meetings. Subjects dealt with at the October, November, and December meetings were: Court Review of Acts of Administrative Officers, Boards, and Commissions; Ways in which the Legislature Affects or Controls Administration; and Legislative Control of Administration through the Budget. At the January 16 meeting a panel of four members of the state legislature continued the discussion of relationships between the legislature and administration.

The Washington, D. C. Chapter held on January 9, 1941, the first of a series of three panel discussions on What the Public Thinks about Public Administration. The special topic was The Future of the Civilian Conservation Corps; the main speaker was Miss Dorothy Thompson. The secretary reports an overflow attendance. In addition to two other panel discussions in this series to be held before June, a series of three meetings will be arranged on each of the following subjects during the next five months: Improvement of Administrative Organization and Management, Problems in the Administration of Federal Grant and Aid Programs, Organizing Staff Aids to Management, and Relationship of Administrative Officials to Congress.

Officers of the Washington Chapter were elected at the October 15 meeting. They are: Arthur S. Flemming, president; John J. Corson, vice-president; Lyle E. Craine, treasurer; Miss Julia J. Henderson, secretary; and James V. Bennett, Ralph W. Olmstead, and Robert H. Rawson, members of the executive committee.

The Chicago Area Chapter, for its meeting on November 15, arranged a panel discussion on the subject What Ails Civil Service and Personnel Officers and What Ails Administrators in the Handling of Personnel Problems. On December 18, the Chicago Chapter discussed the Logan-Walter Bill. On December

28, at a special meeting, the Chicago Chapter re-elected for 1941 the officers who had served during the last three months of 1940: Peter T. Swanish, president; Blaine F. Hoover, vice-president; and Earl H. DeLong, secretary-treasurer.

On October 28, Dr. William E. Mosher addressed a group of members and prospective members in Baltimore. Following this meeting, a chapter organizing committee was formed, comprising Walter Kirkman, chairman; V. O. Key, secretary; and D. Benton Biser, Herbert Fallon, Joseph F. Fay, and Horace Flack.

The Boston Chapter met on November 25 to discuss civil service problems in Rhode Island and Massachusetts; and on January 10 to discuss problems of public health administration. The group in Boston has now adopted a constitution and elected the following officers: Charles P. Howard, chairman; Pendleton Herring, secretary; and Arthur G. Rotch and Thomas F. Sullivan, members of the executive committee.

The Minnesota Chapter held a meeting in Minneapolis, December 12, at which time a constitution was adopted and the following officers elected: Walter F. Finke, president; Nathan Harris, vice-president; Clarence C. Ludwig, secretary-treasurer; and M. R. Hovde, Arthur Levi, Miss Rena Smith, and Carl Tiller, directors. The program of this

December 12 meeting included a continuation of the discussion on the Effect of Recent Defense Measures on the Personnel of National, State, and Local Governments which was begun at the November 7 meeting. On January 16, the Minnesota Chapter held a meeting at which David Lilienthal, vice chairman of the Tennessee Valley Authority, was the principal speaker.

In New York City the chapter adopted a constitution and elected officers at the meeting held October 17. Lieutenant Colonel Brehon B. Somervell was elected president of the chapter. Colonel Somervell resigned when he retired from his position as administrator of the New York City Work Projects Administration to take up active duties in Washington with the War Department. The present officers of the New York Metropolitan Chapter are: Albert H. Morgan, president; Joseph M. Cunningham, vice-president; Charles S. Ascher, secretary-treasurer; and Frederic P. Bartlett, Miss Mary Gibbons, Luther Gulick, Oliver Gottschalk, George W. Lawson, and Paul Volcker, directors. On December 11, Lawrence Appley, director of training of the Socony Vacuum Company, addressed the New York Metropolitan Chapter on Management and Organization. At the meeting scheduled for January 29, John B. Blandford, assistant director, United States Bureau of the Budget, was the principal speaker.

uation
at De-
tional,
as be-
nuary
ing at
of the
ncipal

pted a
meet-
Colonel
lent of
l when
rator of
ministra-
ington
officers
er are:
I. Cun-
Ascher,
Bartlett,
Oliver
d Paul
awrence
Socony
w York
nt and
led for
assistant
Budget,